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25 October 1994

NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication will be changed. All new indicators will begin with "FBIS" to make the material more easily identifiable. Some will also indicate whether the item has been translated from the vernacular or transcribed from English.

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Defense Council Head on Tajik Peacekeeping Forces

LD2410181094 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] It is clear that peacekeeping forces and Russian frontier guards must be present in Tajikistan regardless of the results of presidential elections to be held there on November 6, the secretary of the CIS Defense Ministers' Council, General Leonid Ivashov, said at Monday's briefing in Moscow. He deplored the fact that the present Tajik leadership failed to do all in its power to settle its armed conflict with the opposition.

As the general said, the CIS summit held in Moscow decided to prolong the mandate of the peacekeeping forces deployed in Tajikistan for another six months. However the possibility of expanding the peacekeeping contingent was not raised at the summit, he said.

In answer to journalists' questions Ivashov said that the deployment of Russian peacekeepers in the Georgian-Abkhaz conflict area has been extended till mid May 1995. He said Tajikistan was willing to make a detachment of its servicemen available for sending to the Georgian-Abkhaz conflict area. Belarus has no principle objection to the idea of sending its observers there, and Armenia is studying the possibility of despatching a platoon to join the peacekeeping operation. The presidents of other CIS countries intend to discuss this issue with their countries' highest legislative bodies.

With reference to the lack of consensus in the area of peacekeeping Ivashov said that, when taking political decisions, heads of state cannot order compliance with article [words indistinct].

ITAR-TASS Carries Press Review for 25 Oct

LD2510093794 Moscow ITAR-TASS in English 0631 GMT 25 Oct 94

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow October 25 TASS—ROSSIYSKAYA GAZETA on the recent Commonwealth of Independent States (CIS) summit in Moscow:

"Both statements by the leaders of CIS countries on the eve of the summit and the summit itself have shown that everyone or almost everyone in the republics have already come to realise the vital need to restore the disrupted economic ties following the break-up of the Soviet Union.

"And it is no wonder, for the economic situation in all CIS countries without exception is rather deplorable if not critical. Besides, their future to a great extent depends on Russia. Their aggregate debt to Russia amounted to more than 5,000 million U.S. dollars under the 1992-1993 mutual settlements alone."

ROSSIYSKAYA GAZETA carries an interview with acting Prosecutor- General Aleksey Ilyushenko, who believes that the crime growth rate has been checked over the four months that have passed since the issue of the presidential decree on urgent measures to protect the population from banditry.

Crime has not been reduced and the scope of crime is impermissibly wide but there is now more consistency in action in combat it. Ilyushenko believes that this is resultant of three main factors: the maximum use of the government-allocated funds for commbating crime, a purposeful personnel policy, and a systemic approach to the implementation of the crime-fighting programme itself.

ROSSIYSKIYE VESTI reports that the staff of the Russian Ministry of Labour and the Academy of Social Sciences have worked for two years on the drafting of a new labour code which describes the labour rights and duties of the worker and the employer, labour contracts, the remuneration and discipline of labour, guarantees and compensations, the protection of labour, the duration of time for work and rest.

The labour code stipulates that red-letter days in Russia are January 1 and 2, January 7, March 8, May 1, 2 and 9, June 12, November 7, and December 12.

KOMSOMOLSKAYA PRAVDA on correlation of political forces in Russia.

The newspaper quotes Presidential Press Secretary Vyacheslav Kostikov as saying that the current autumn can well be referred to as "muscular". This time, however, main struggle is being waged in offices and at the stock and currency exchanges, without tanks in the streets.

Referring to Western news media, the newspaper writes about three main political groups, each backed by serious forces and considerable financial capital. The groups are said to be led by Viktor Chernomyrdin with the Gasprom amalgamation, Yuriy Luzhkov with the Moscow officialdom, and Yuriy Skokov with part of the military-industry sector and other national commodity producers.

"Despite all assurances by a number of serious politicians, a thorough regrouping of forces is in progress on the eve of yet another and, possibly, decisive clash," the newspaper maintains.

IZVESTIYA on the assassination of MOSKOVSKY KOMSOMOLETS journalist Dmitriy Kholodov.

The newspaper notes the temporary silence of Defence Minister Pavel Grachev who "outwardly did not react to numerous newspaper articles which accused him of nearly a direct involvement in the murder of the journalist."

In an interview with IZVESTIYA, Grachev stated that he would resign if he comes to feel Boris Yeltsin's distrust of him. "There are forces to which it would be advantageous if I drift away from the president. They want to weaken the president's influence on the army," Grachev said.

But "if this campaign were of benefit to the president, he would have kept silent. However, he expressed his attitude twice, thereby drawing the fire of criticism by anti-army crusaders, all those who want to break up the Army, overthrow the president, sow chaos in the country and lead the country to a civil war," Grachev said.

NEZAVISIMAYA GAZETA on the same subject:

"Grachev does not rule it out that the assassination of Dmitriy Kholodov was contemplated as a provocation against the defence minister, the main intelligence agency and the Armed Forces as a whole. He also confirms that the government will soon be substtantionally reformed.

"The government should be renewed by approximately 30-40 percent. Maybe, not only resultant of a reshuffle of ministers but some deputy ministers as well. Then work will go right," Grachev said.

Moscow-based newspapers cover the situation in the trouble spots of the former Soviet Union.

KOMSOMOLSKAYA PRAVDA carries an article from Abkhazia under the headline "There Are Many People Here Who Cannot Live Without War".

KOMSOMOLSKAYA PRAVDA recalls a car bomb blast near the headquarters of the peacekeeping group of Ruslan Khasbulatov in Tolstoy-Yurt village. The blast did not entail loss of life.

ROSSIYSKIYE VESTI: "Chechnya: Neither Side Can Win," political scientist Emil Pain Believes.

NOVAYA YEZHEDNEVNAYA GAZETA (NEW DAILY NEWSPAPER) runs a message by Ramazan Abdulatipov, deputy speaker of the Federation Council, to President Boris Yeltsin and other leaders of the Russian Federation, state, political and religious figures of the north Caucasian region and the transcaucasus, to all those who exerts or may exert influence on the development of events in Chechnya and direct all efforts towards salvation of the Chechen people from self-destruction and from the menace of a civil war.

NEZAVISIMAYA GAZETA carries a letter by a group of Tajikistan parliament members in connection with the forthcoming presidential election and a referendum on the constitution scheduled for November 6. "We do not rule out the possibility that the elections will be rigged. If this happens, the country would again be plunged into the gloom of war and destruction," the letter says.

Other noteworthy articles in the Tuesday editions of newspapers are those headlined "The Deception of Stock and Deposit Holders Has Become Common Place in Our Life" (TRUD), "Feelings Run High Over a Media State Support Bill" (ROSSIYSKAYA GAZETA), "The Political Situation in Armenia Is Getting Exacerbated" (NEZAVISIMAYA GAZETA), "The Fetters of the Communist Movement" (PRAVDA).

Kozyrev Changes Mideast Tour Itinerary

LD2510103294 Moscow ITAR-TASS World Service in Russian 0955 GMT 25 Oct 94

[ITAR-TASS diplomatic correspondent]

[FBIS Transcribed Text] Moscow, 25 October—The forthcoming debate on Thursday in the State Duma of the issue of confidence in the government has forced Russian Federation Minister of Foreign Affairs Andrey Kozyrev to make adjustments to his work schedule. The ITAR-TASS correspondent learned today from well-informed sources that tomorrow's trip to Jordan by the head of the foreign policy department to take part in the ceremony marking the signing of the Israeli-Jordanian peace treaty will last only one day. Thus, the minister's planned subsequent visit to Damascus (Syria) will not take place for the time being.

As a result of the parliamentary hearings, A. Kozyrev's participation in the important conference on economic development of the countries of the Near East and North Africa due to take place between 30 October and 1 November in Casablanca (Morocco), may also be called into question. A high-ranking Russian diplomat told the ITAR-TASS correspondent that in addition to the leaders of near- eastern and north African states, top politicians and statesmen from Britain, Germany, Spain, Portugal, the United States, France, South Africa and also from the European Union are expected to take part in this forum.

To Meet President Clinton in 'Aqaba

LD2410155594 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] On Wednesday Russian Foreign Minister Andrey Kozyrev will leave for 'Aqaba (on the border between Jordan and Israel), where Jordan and Israel are to sign their peace agreement. He will confer with the U.S. President Bill Clinton and Secretary of State Warren Christopher there, the director of the Russian Foreign Ministry's Middle East and North Africa Department, Viktor Posuvalyuk, told Interfax on Monday.

Posuvalyuk said it was not yet clear whether the meeting between the Russian foreign minister and the American president would be confidential or not. "We proceed from the assumption that Kozyrev, who will make this trip to the Middle East at President Yeltsin's request, will have a special place at the podium in 'Aqaba, together with the Jordanian and Israeli leaders, President Clinton, and Secretary of State Christopher," Posuvalyuk said.

Apart from 'Aqaba, Kozyrev and Christopher will also confer in Casablanca (Morocco), where a summit on economic issues for the Middle East and North Africa will open on Sunday, Posuvalyuk said. The presidents of Russia and the USA, the cosponsors of the process of Middle East settlement, are the honorary cochairmen of that forum.

According to Posuvalyuk, participants at the meetings in 'Aqaba and Casablanca will focus on problems connected with the settlement in the Middle East. However Posuvalyuk said that "the issue of Iraq, discussions on which have not been planned so far, will be touched upon in one way or another."

Kozyrev is planning to visit during his upcoming tour of the Middle East the capitals of Jordan and Israel, as well as Damascus (Syria), "where extremely important negotiations await him."

Kozyrev is to return to Moscow on November 1.

Iraq Visit Not Prompted by Nationalist Pressure

LD2410172794 Moscow INTERFAX in English 1614 GMT 24 Oct 94

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] A senior Russian diplomat has denied a statement that Russian Foreign Minister Andrey Kozyrev's visit to Baghdad on October 13-14 had been the result of LDP [Liberal Democratic Party of Russia—LDPR] pressure.

The statement, made in the Iraqi capital by Aleksey Mitrofanov, foreign minister in the LDP's "shadow cabinet" and deputy chairman of the parliamentary International Affairs Committee, is "no more than a (Mitrofanov's) personal and by no means indisputable judgement," the diplomat told Interfax.

"Kozyrev's visit to Baghdad was being prepared systematically and well in advance," he said. "The decision to visit Baghdad was based on the long-term interests of Russian policy in the Middle East Gulf."

Interior Minister Yerin Visits Israel

LD2410215594 Moscow ITAR-TASS in English 2108 GMT 24 Oct 94

[By ITAR-TASS correspondent Anatoliy Kerzhentsev]

[FBIS Transcribed Text] Tel Aviv October 25 TASS—Russian Interior Minister Viktor Yerin arrived in Tel Aviv on an official visit on Monday at the invitation of Israeli Police Minister Moshe Shahal.

During a four-day visit the Russian Interior Minister will meet with Israeli Prime Minister and Defence Minister Yitzhak Rabin, Foreign Minister Shim'on Peres and hold talks with the Israeli Police Minister Moshe Shahal.

Yerin is expected to visit a number of Israeli police precincts, including special departments for combating drug business and terrorism.

Local observers connect the Russian interior minister's visit with the Israeli interest in cooperation with Russia in the sphere of combating crime, drug business and terrorism.

Iran Not To Dramatize Military Aspect of Ties

LD2410173094 Moscow INTERFAX in English 1614 GMT 24 Oct 94

[From the "Diplomatic Panorama" feature: By diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] Iran is not inclined to dramatize the statement President Boris Yeltsin made in Washington recently to the effect that Russia will not sign new contracts for arms sales to Tehran, but honor its commitments under the previous agreements, a senior official from Russia's Foreign Ministry told Interfax's correspondent.

As he said, during his talks with President Bill Clinton in Washington Boris Yeltsin agreed that Russia will not sign new contracts for arms sales to Iran, provided other countries follow the same policy.

As the diplomat said, during the recent visit to Moscow by Iran's Deputy Foreign Minister Mahmud Va'ezi the problem of bilateral military cooperation was discussed "only in general terms."

70 to 80 percent of the weapons the Iranian Army has now is American-made. They were supplied under the Shah's regime, the source said. "Military equipment and other types of arms require spaceparts, and American companies continue to supply them covertly through go-betweens," he pointed out.

Chernomyrdin Meets U.S. Deputy Finance Minister

LD2410214894 Moscow ITAR-TASS in English 2134 GMT 24 Oct 94

[FBIS Transcribed Text] Moscow October 25 TASS—Russian Prime Minister Viktor Chernomyrdin met visiting U.S. Deputy Finance Minister Lawrence Sammers late on Monday. The meeting took place in the building of the Russian Government.

During the meeting the American side positively assessed plans made by the Russian Government to give up direct financing by the Central Bank of Russia, a government programme of curbing inflation rates to 1 percent a month and a programme of improvement of the system of taxation. The sides reached an agreement on coordination of bilateral activities for regulating taxation.

The sides also discussed problems connected with Russia's draft budget for 1995.

Kozyrev Begins Talks with Norwegian Counterpart

LD2410131694 Moscow ITAR-TASS in English 1159 GMT 24 Oct 94

[By ITAR-TASS special correspondents Dmitriy Gorokhov and Igor Pshenichnikov]

[FBIS Transcribed Text] Kirkenes (northern Norway) October 24 TASS—The Russian and Norwegian foreign ministers started their talks on Monday in the Norwegian city of Kirkenes situated within the arctic circle. The meeting between Andrey Kozyrev and Bjorn Tore Godal is being held in connection with the celebration of the 50th anniversary since the liberation of the Norwegian north by the Soviet army from the Nazis.

It is expected that the ministers of the two friendly states will discuss a broad range of bilateral relations and cooperation at the Council of the Barents Sea Region. It is also probable that the ministers will exchange opinions on the situation in the Middle East.

Russia is also a co-chairman of the Mid-East peace process. On the other hand, Norwegian diplomats play an active mediation role in settling the Israeli-Palestinian conflict.

Head of Abkhaz Peacekeeping Force Cited

MM2410131594 Moscow PRAVDA in Russian 21 Oct 94 p 1

[Report by Igor Lenskiy on undated interview with Major General Vasiliy Yakushev, commander of peacekeeping forces in Abkhazia: "Major General Vasiliy Yakushev: 'War May Arrive on the Shoulders of the Refugees'"]

[FBIS Translated Text] Sukhumi—Four months have passed since Russian peacekeeping forces were sent into the disengagement zone along the Georgian-Abkhaz border by decision of the Russian Federation Federation Council. The 2,200-strong contingent is serving at 42 posts and is the basic guarantee that war will not break out again. Another important aspect of peacekeeping is the creation of conditions for the return of Georgian refugees to Abkhazia.

Today the military and diplomats are arguing over how to send them back—individually, from name lists, or en masse, whipping up passions on both sides of the Inguri. It is, however, important that through the Russians' efforts the peace process in general gets off the ground. The other day a military operation was completed to force Georgian armed formations from Kodori Gorge. Information from aerial reconnaissance testifies to the fact that there are no troops from the warring sides in the 24-kilometer demilitarized zone (12 kilometers either side of the Inguri). In these circumstances 14 families from the more than 80,000 Georgians who were rendered homeless in Galskiy Rayon have returned to their homes. Yes, this is a drop in the ocean. But we are having to pay dearly for it: Two Russian officers were killed by saboteurs, and one died when his gasoline tanker went over a precipice.

The peacekeeping forces' commander, 48-year-old Major General Vasiliy Yakushev tells your correspondent:

"Long before the quadripartite commission, I myself personally got permission for 28 Georgian families to return. But I was only able to get eight across. It seemed that everything was going well. It was planned that 20 refugees were to cross over 11 October, and 40 on 12 October. But, alas, in all only 19 people from six families crossed over during these days. You might ask, what got in the way? It was propaganda on the Georgian side. The people were simply scared: If you cross in small groups, the Abkhazians will destroy you, shoot you, slit your throats. But if 2,000 of you cross at one time, that'll be OK!

"You must understand," the general objects, "that thousands of refugees crossing in the space of a day is impossible from a practical viewpoint! Where is this horde going to live? What will they eat? Are their houses still in one piece? Or, maybe, they have no windows, doors, and roofs? What if the houses have been taken over by Abkhazians? Will there be shooting, fatalities?... Everything really has to be checked out. Have the returning people who want to take weapons with them any ammunition? It is necessary to look at their applications and documents. After all, refugee status gives them the right to privileges, humanitarian aid, and compensation. What is more, it is necessary to check to see that murderers and looters do not slip through."

Yakushev thinks that these demands by the Abkhaz side are well founded and fair.

On the subject of the scandal provoked by the attempt of General Kondratyev, Russian Federation deputy defense minister, to organize a mass crossing of refugees, Yakushev evasively said that it is not the accepted thing in the Army to discuss your senior officer's actions. At the same time the general emphasized strongly that an unorganized stream of returnees means bloodshed and that the return process should be regulated and systematic. Otherwise war may once again arrive on the shoulders of the refugees.

The mandate of the peacekeeping forces in Abkhazia expires 24 December and it is already necessary to consider the next move. In Yakushev's opinion the Russian peacekeepers' departure is fraught with dangerous consequences. But the mission does not have the right to end in failure. "If we compromise ourselves in the eyes of world public opinion and the United Nations, this will have a grave impact on Russia's international prestige," the general thinks. "In that case we will not be able to count on their status as peacekeepers in the future."

With a candor untypical of the top brass Vasiliy Yakushev expressed an opinion about the problem of future Abkhazian statehood. "Abkhazia's unresolved status is the root of all the problems," the general believes. "De jure nobody has recognized Abkhazia, but de facto it exists with all the attributes of an autonomous state. This has to be taken into consideration. Abkhazia has been part of Russia since the beginning of the last century, and only for a comparatively short period of history has it been part of socialist Georgia. As Georgia has now returned to the 1921 constitution, where there is no mention of Abkhazia whatsoever, it follows that Abkhazia is not part of Georgia today. It is my opinion," General Yakushev concluded, "that we must allow the Abkhaz people themselves to choose their own fate. And the people are in favor of being part of Russia."

Meantime...

A soldier of the peacekeeping forces was blown up on a mine during the night of 19 October in Azhary [Kodor Gorge]. The injured man has lost a leg and his life is in danger.

Law Signed Ratifying Baykonur Agreement With Kazakhstan

LD2410155994 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] President Boris Yeltsin has signed a federal law ratifying the agreement with Kazakhstan on the key principles and terms of using the Baykonur cosmodrome, according to the press service of the head of state.

The law was passed by the State Duma on July 21 and approved by the Federation Council on October 7. Under the agreement Russia is granted the right to fully control the cosmodrome for 20 years beginning in 1994 and prolong the agreement for 10 more years. The cosmodrome will cost Russia $115 million a year.

Baikonur which became property of Kazakhstan after the collapse of the USSR is the biggest site of its kind in the world and it is almost fully used by the military space force in the interests of the Russian Defense Ministry and the Russian Space Agency.

Among other things Baykonur houses all launching pads of the heavy booster-rocket Proton which is used for placing in geostationary orbits satellites weighing up to 2.5 tonnes.

IZVESTIYA Alleges KGB $1 Million 'Debt of Honor' to Ames

MM2410115394 Moscow IZVESTIYA in Russian 22 Oct 94 p 3

[Report by Vladimir Nadein: "KGB's Debt of Honor. Aldrich Ames Expects Moscow To Send Him Another $1 Million"]

[FBIS Translated Text] Washington—Just as in the world of gentlemen a debt incurred at cards takes precedence over everything—even over helping those desperately in need—so in the world of the secret services it is a debt of honor to pay all the money due to an agent. If the agent fails, is put in jail, or is even killed, the debt should be paid to his wife (widow) or other heirs.

Otherwise, the dishonest intelligence service will not be respected and new agents will demand money up front—a false economy if ever there was one.

Quite clearly, the KGB and its successors have a reputation as proper professionals, since the FBI and the CIA are on their guard—they are closely monitoring when and how this "debt of honor" to Aldrich Ames, who has been sentenced in the United States to life imprisonment for spying for the Soviet Union and later Russia, will be paid.

By the time of his arrest Moscow had paid A. Ames $2.5 million. Some of Ames's statements recorded by FBI listening devices prior to his arrest, but mainly his testimony to the investigators provide grounds for believing that the KGB owes him more than $1 million. Calling his wife in the Colombian capital, Bogota, 3 November 1993, he said: "They have be...between $1 and $2 million."

The investigators believe that "they" meant "we."

Although the collapse of the Soviet Union and the acute shortage of foreign exchange cast doubt on the ability of Russian intelligence to pay off the debt in full, U.S. experts are sure that Moscow will attempt to. At any rate, the Americans themselves consider it their duty to provide material support for the families of agents recruited by the CIA and later arrested or killed.

A Washington journalist who is usually well informed about special-service affairs has claimed that the CIA is currently making payments to the widows and heirs of the Soviet agents who were killed in Moscow as a result of information passed by Aldrich Ames.

Such payments are usually made through trust companies, pension funds, and even in the form of payment for children's school fees in the country or abroad. At any rate the source of the funds is carefully concealed by plausible cover stories.

This generally accepted secret-service practice and the reluctance shown by A. Ames and particularly his wife Rosario to confirm the KGB debts lead us to conclude that the investigators do not believe that the former Soviet agent has completely come clean. "I don't want to get into details," CIA Director James Woolsey said on a popular TV program, "but we have reason to believe that he (that is, A. Ames) is still lying about some things."

The polygraph test—the so-called lie detector—which Aldrich Ames recently took in jail in Allenwood, Pa.—showed that he was not telling the truth. But lie detectors and Ames have always had a vexed relationship. At any rate, while he was with the CIA, Ames twice took such tests, twice lied, and was charitably passed by the machine.

Moscow, NATO Plan To Exchange Representatives

LD2410184494 Moscow INTERFAX in English 1652 GMT 24 Oct 94

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[FBIS Transcribed Text] Russia and NATO are planning to exchange military representatives in the framework of the Partnership for Peace program, sources in Russia's Foreign Ministry told Interfax on Monday.

"Moscow and the North-Atlantic Treaty Organization reached only a verbal agreement on this score, and its practical implementation is remote so far," a senior member of the Russian Foreign Ministry told Interfax's correspondent. This is being arranged largely through the military establishments, he explained.

According to him, "Russia is prepared to send its representative to the headquarters of NATO's High Command situated in the city of Mons outside Brussels." "It is likely to be a military officer in the rank of colonel," the diplomat explained.

According to him, NATO's leadership has similar intentions. "However it is not clear yet where its representative will be based," the source noted. NATO's mission may be located at the General Staff of Russia's Defence Ministry, he said.

Military Cooperation Agreements With CIS Listed

MM2410161594 Moscow KRASNAYA ZVEZDA in Russian 22 Oct 94 p 2

[Announcement by the Russian Federation Ministry of Defense Information and Press Directorate: "Russia Signs Agreements on Military Cooperation With Armenia, Kirghizia, and Moldova"]

[FBIS Translated Text] Russian Defense Minister Army General Pavel Grachev, Armenian Defense Minister Serzh Sarkisyan, Kirghizian [Kyrgyzstan] Defense Minister Lieutenant General Myrzakan Subanov, and Moldavian [Moldovan] Defense Minister Division General Pavel Kryange signed the following agreements on military cooperation 21 October:

Between Russia and Armenia

An agreement between the Russian Federation and Armenian Republic governments on the organization of collaboration during the inspection of Russian Federation military formations stationed on the Republic of

Armenia's territory in connection with the Treaty on Conventional Forces in Europe and the 1992 Vienna document on consolidating measures of confidence and security;

an agreement between the Russian Federation and Armenian Republic Defense Ministries on organizing landing, ground support, and security on military airfields for Russian Federation Armed Forces and Armenian Republic Armed Forces aircraft;

an agreement between the Russian Federation and Armenian Republic Defense Ministries in the sphere of air defense.

Between Russia and Kirghizia [Kyrgyzstan]

An agreement between the Russian Federation and the Republic of Kyrgyzstan [as published] on terms governing the lease of bases to Russian Federation Defense Ministry seismology service units based on Kirghiz territory.

Between Russia and Moldavia [Moldova]

An agreement between the Russian Federation and Moldavia on questions of jurisdiction and mutual legal aid in matters connected with the temporary presence of Russian Federation military formations on Moldavian territory;

An agreement between the Russian Federation and Moldavian Defense Ministries on the activity of aircraft belonging to Russian Federation military formations temporarily based on Moldavian territory and on the use of the Tiraspol airfield by Russian Federation Armed Forces transport aviation.

Soskovets Calls Japan Visit 'Important Step'

LD2410180494 Moscow ITAR-TASS in English 1553 GMT 24 Oct 94

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Transcribed Text] Moscow October 24 TASS—The upcoming visit to Japan by a Russian delegation in November will mark an important stage in relations between the two countries, first Russian Vice-Prime Minister Oleg Soskovets said.

Speaking at a meeting with a visiting delegation of the Japanese parliament association for friendship with Russia and other CIS states in Moscow on Monday, Soskovets said that the Russian delegation will propose a number of cooperation projects. They include the modernisation of the Yaroslavl oil refinery (240 million U.S. dollars), the modernisation of the Azlk auto works in Moscow (140 million dollars) and a joint project to modernise the Kamaz truck-building plant in Tatarstan.

Asked about the possibility of discussing political issues during the visit, Soskovets said that the dialogue will be confined to inter-governmental bilateral relations. The territorial dispute is the prerogative of the Russian Foreign Ministry, he added.

Soskovets pointed out that the Russian delegation—which will include representatives of both houses of the Federal Assembly, ministers, heads of state committees, directors and businessmen—intends to study relations between the government and monopolies in Japan.

The sides will also discuss ways to avoid double taxation, support for small and medium-size businesses, the participation of Japanese businesses in the development of the Russian Far East and Russian debt to Japanese private companies that sold goods to the former Soviet Union.

At their recent meeting in Moscow Soskovets and Japanese Ambassador to Russia Koji Watanabe agreed to set up a Russian- Japanese joint commission on trade, economic, scientific and technical cooperation to coordinate the entire spectrum of bilateral relations.

Moscow Reduces Broadcasts To Southeast Asian Nations

LD2410192994

[FBIS Editorial Report] Moscow Mayak Radio Network in Russian at 0805 GMT on 24 October carries in its "Rossino" program a regular roundup of Russia-related news from the Asia-Pacific region. The four-minute program notes that it is 65 years since Moscow began external radio broadcasting. It is then announced that today the "Voice of Russia" state radio company goes on the air in 38 languages, broadcasting a total of 120 hours a day. Of this figure, almost 30 hours are accounted for by broadcasts to Asian countries.

According to Aleksey (?Senarberg), the editor-in-chief of the Asian services, Moscow radio now only broadcasts to three countries in southeast Asia: Vietnam, Indonesia, and Cambodia. He says previously programs also went out to Burmese, Thai, Laotian, and Philippine audiences, but financial shortages meant that these programs had to be stopped. However, he says, the remaining services still have audiences as far afield as America and Europe, as well as in southeast Asia.

Political Issues

Yeltsin, Chernomyrdin Discuss Regional Budget

LD2510134394 Moscow ITAR-TASS World Service in Russian 1305 GMT 25 Oct 94

[By ITAR-TASS correspondent Igor Ivantsov]

[FBIS Translated Text] Moscow, 25 Oct (ITAR-TASS)—Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin met with the heads of the component republics of the Russian Federation today. The meeting was mainly devoted to economic issues and place in the government's state residence in southwestern Moscow.

In a brief word of introduction, Boris Yeltsin recalled that the government has already drawn up the draft budget for 1995, saying that it is particularly significant that this is the first time the budget has been ready in advance. President Yeltsin stressed that before the document is submitted for discussion in the State Duma, the details of it must be worked through with the leaders of the republics which are component parts of the Russian Federation; this, the president said, "will be a unique test of its soundness."

Although journalists were not informed of the meeting's agenda, yesterday President Ruslan Aushev of Ingushetia told ITAR-TASS that problems relating to the domestic political situation in certain regions of Russia will be discussed, in addition to the economic issues.

Yeltsin Prepared To Put Specialists in Government

LD2410185394 Moscow Radio Rossii Network in Russian 1800 GMT 24 Oct 94

[FBIS Translated Text] According to State Duma Chairman Ivan Rybkin, President Boris Yeltsin is prepared, as before, to strengthen an ineffective government with strong, professional specialists. At a news conference in St Petersburg on Monday Rybkin, quoting Yeltsin, reported that the president has a voluminous list of candidates put forward by different parties to work in the government.

Ivan Rybkin refrained from predicting the result of the government's report to the State Duma on 27 October. He said that the question of confidence in the government will be put only after wide-ranging, deep discussion.

Rybkin Makes No Forecast on Cabinet Future

LD2410202994 Moscow ITAR-TASS in English 2013 GMT 24 Oct 94

[By ITAR-TASS correspondent Lev Rumyantsev]

[FBIS Transcribed Text] St. Petersburg October 24 TASS—"I would not like to predict the results of the government's report to the State Duma on October 27," State Duma chairman Ivan Rybkin said.

In an exclusive interview with ITAR-TASS on Monday, Rybkin said that "the discussion of Prime Minister Viktor Chernomyrdin's report will be very thorough."

Earlier today, Rybkin had a two-hour talks with Chernomyrdin before his (Rybkin's) departure to St. Petersburg for a meeting with members of the Council of Europe commission for ties with East European countries which are not members of the Council of Europe.

"We reached understanding on how the government's report should be structured. In the report the prime minister will focus primarily on the draft budget for 1995, draft law changing the tax legislation and other vital economic decisions," Rybkin said.

After the premier will have answered the questions from deputies, the State Duma will be addressed by the leaders of all five "economic" committees and representatives of all Duma factions and groups.

"Only after a thorough and in-depth analysis will I put the motion of confidence in the government to vote," Rybkin said. He stressed that President Boris Yeltsin wants to strengthen the present government and reinforce it with new professionals. "The president told me today that he has a three-page list of candidates proposed by various parties," Rybkin said.

Glazyev Advocates Alternative Program

MM2510121494 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 25 Oct 94 p 2

[Report by Mikhail Arkhangelskiy under the "Government" rubric: "Chernomyrdin Is Becoming Increasingly Spectral. In the Past Week the Russian Government Has Kept Its Head Under the Rug. Its Sessions Were Closed to the Press"]

[FBIS Translated Text] Two points are the most significant: the discussion of the 1995 budget, and statements on the bankruptcies that are in preparation. The former, it is promised, is to be made more balanced; the latter is set to create a shock similar to that of price liberalization in 1992.

Yet nobody in the government is able to explain how they intend to accomplish all this when prices are constantly rising, the regions are increasingly "dismissing" Moscow, and there is a disastrous lack of laws. After all, the implementation of bankruptcies alone requires a normative base for the life of thousands of firms of auditors, plus the actual firms, with qualified specialists, plus subsidies amounting to many billions for providing services and retraining facilities for the army of unemployed that will inevitably spring up after these operations. It is not even clear: On what principles will plants be ruined? In order to determine "who is unfit to survive," you have to have a "level playing field": a country where unified laws and unified taxes are in force, where the banks transfer money from one day to the next, and where contracts are devoutly observed. We do not even have "key points" where state appropriations should be applied in order to serve as the locomotives of the economy (in the United States in the thirties they were the motor vehicle industry and housing construction, and in the United States in the eighties—military contracts). There is no unity of views on this question in our government: Urinson and Chubays rely on the hope that private businesspeople will themselves invest the money in the right places, Shafranik is rooting for the fuel and energy complex, the agrarians for themselves, and the State Committee for Industrial Policy is getting carried away with its own program.

Meanwhile, the "smart" program is in the air in the president's entourage: change the ruling lobby. The gas and oil men have played with the government for three years, they say, so now other sectors should be given their chance, taking turns.

It is not surprising that in these circumstances the figure of the current premier Chernomyrdin is becoming somewhat spectral and nebulous. The question at issue is a new head of cabinet and—a change of policy.

The program of S. Glazyev, former head of the Ministry of Foreign Economic Relations, is emerging increasingly strongly in the Duma, with the support of the Federation of [Commodity] Producers headed by Yu. Skokov. It includes plans to boost production, price controls, the wide application of administrative levers, and curbs on the banking and speculation milieu.

"The economy's degeneration is continuing and there is no sign of improvement," S. Glazyev believes. "An eloquent indicator is the reduction in investments in production, which have fallen by 36 percent in the past year and fourfold since 1990. There can be no question of an upswing or modernization. The basis for these things—science-intensive industry—is dying. Can we pin our hopes on bankruptcy? Some 90 percent of enterprises now come into the ruined category. Defense capability is declining. Because of the rupture of coproduction links, in 1995 we will no longer be able to produce even elementary 'goods.' Machine building is crumbling. The country has already lost the manufacture of flexible automated systems—the basis of the Japanese 'miracle,' microelectronics, and household electronics. Only isolated islands remain, oriented toward servicing foreign investments."

According to the former minister of foreign economic relations, the present reforms are still leading to the diversion of resources from production itno the sphere of speculation on the currency exchange and into transactions involving imported goods and the transfer of currency reserves abroad. Combating the budget deficit and inflation, regarded as reform, does not solve the problems.

"It is no use expecting our speculative capital to flow into production," Glazyev is convinced. "It is only attracted by maneuvers on the exchange and games involving worthless 'securities.' The main purchasers of shares in industry that is being privatized are foreigners operating through agents. Our businesspeople are not taking part in this battle. Not only because all the technology in the provision of information on privatization is aimed at foreigners. For our own people, it is advantageous to invest hard currency abroad. Foreign firms want to gain control of sectors, deciding whether or not the country is to develop."

That is the crux of the disagreements with the State Committee for the Management of State Property. The Duma, according to Glazyev, demanded to monitor privatization and approve plans for the biggest and most important facilities.

"But it was rejected," Glazyev says. "And now natural monopolies, such as gas, are being sold off. This has nothing to do with the market—in many countries monopolies of this kind remain state-owned, regulated, and controlled."

By virtue of all this, S. Glazyev regards the demands for an accountability report from the government as absurd: They will never provide it, and indeed nobody has the information. He stated that he and his supporters have had an alternative program for six months now, a program that is sufficiently refined and detailed.

It may be assumed that we can expect massive pressure on the president to change both th government and the economic course. But since the State Duma has far fewer powers than the Congress of People's Deputies, we should also prepare for nonparliamentary means of struggle.

Government Calm in Face of No Confidence Threat

LD2410173994 Moscow INTERFAX in English 1646 GMT 24 Oct 94

[From the "Presidential Bulletin" feature: No. 206 (696); compiled by Nikolay Zherebtsov and Andrey Petrovsky; edited by Vladimir Shishlin]

[FBIS Transcribed Text] The government remains calm in the face of threats of a no confidence vote by a number of parliamentary factions, government spokesman Valentin Sergeyev told Interfax on Monday. "Such declarations will not upset the cabinet's work. On the contrary, these will help it mobilize effort in the run up to a house session on Thursday", he said.

Sergeyev said all of the ministers would attend hearings into the next year's draft budget. "They are ready to throw weight behind the budget-envisaged tough measures aimed at economic stabilization and halting production slump", he said.

The spokesman said the cabinet would stand firm on the proposed budget considering it as the core of economic policies at this stage of reform which is just as vital as the 1992 price liberalization.

For his part, Vice-Premier and Economics Minister Aleksandr Shokhin said that any house vote on the budget would amount to that of trust in government economic policies..

In his view, the cabinet did right by refraining from presenting a compromise budget to please all lobby groups and refusing to reshuffle its ranks.

Shokhin said the recent crash on the country's currency market had strengthened the government's resolve to go ahead with radical reforms and offer a budget thrust at financial and economic stabilization.

In his words, the government takes no heed of opposition plans to bring a no-confidence vote in parliament and relies on support from pro-democracy factions for its budget.

Sergeyev and Shokhin were commenting on statements from representatives of the left-wing and centrist groups which have been holding consultations in the past few days to work out a common stand on the no confidence vote.

The opposition's resolve to get a major cabinet shake up has strengthened even more after it failed to push through a resolution last Friday giving poor marks to the government's fulfillment of the 1994 budget (the house fell just 12 votes short of approving it—IF), one opposition leader told Interfax on condition of anonymity.

He blamed the setback on sheer technical reasons caused by the opposition's failure to ensure full attendance by its members. However, the source said it would enlist enough votes in Thursday in support of demands for the resignation of Vice-Premiers Aleksandr Shokhin and Anatoly Chubays and Ministers Andrey Kozyrev, Pavel Grachev, Viktor Yerin, Viktor Khlystun and others. The government will face a no confidence vote unless its demands are met, he said.

The source said the alliance would drum up sufficient support if other factions including the Communist, Agrarian and Democratic Parties as well as other groups such as Women of Russia, New Regional Policy and as yet to be registered Russian Path would join it as would more sensible deputies from other groups.

Kovalyov on Concern Over Kholodov Murder Furore

LD2410193394 Moscow ITAR-TASS in English 1722 GMT 24 Oct 94

[by ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Transcribed Text] Moscow October 24 TASS—Deputies of the State Duma should declare in support of the Russian Army, said Valentin Kovalyov, deputy chairman of the Russian Parliament's lower house on Monday.

"There are indications that certain circles strive to make use of the tragic death of (newspaper reporter) Dmitriy Kholodov for discrediting not only some individuals, but the armed forces as a whole," he told ITAR-TASS.

Such attempts "aroused great concern" among participants in Monday's session of the Duma's council, Kovalyov remarked.

"One cannot use the murder of the journalist for making all kinds of insinuations, this is immoral and dangerous from a political perspective," he said.

Jurist by education, Kovalyov proposed to "strip the case off its political connotations and consider it in a professional, legal context". Criminal proceedings on the murder case were initiated, which "should be effected completely, comprehensively and impartially", he said.

"In my opinion, one will be able to draw political conclusions only after the results of the investigation are announced. No one should be led to believe that the State Duma requested that (Russian Defence Minister) Pavel Grachev give an account to it on facts related to Kholodov's murder case. I do not confirm it resolutely. (The State Duma wants him) to report on the general situation within the armed forces, including moral and psychological aspects, and on prospects for future reforms in the army," Kovalyov stated.

Prosecutor General Denies All WGT Leaders Corrupt

LD2410162194 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] The evidence available at the Russian Prosecutor General's Office today is not enough to claim that the entire leadership of the former Western Group of Troops (WGT) is involved in corruption, the acting Prosecutor General Aleksey Ilyushenko has declared. However, he did not go into details in his speech after a debate on his nomination to the post of prosecutor general in the Federation Council Monday.

Charges against the WGT command and defense ministry bosses have intensified after Dmitriy Kholodov, a correspondent for the newspaper Moskovskiy Komsomolets, lost his life a result of a terrorist act a week ago. He had been conducting an investigation into corruption in the WGT.

Describing his department's performance, Ilyushenko reported that over the first six months of 1994 the prosecutor general's office had sent to court 691 cases on bribe-taking and 2,400 cases on extortion by administrative officials. He revealed that a number of senior officials from the interior ministry, taxation police, and even the prosecutor general's office itself, had been arrested.

Ilyushenko criticized some departments for inaction. He charged the Russian State Property Committee for its failure to control the financial operations of MMM and other joint-stock companies after issuing them with licenses for operation.

In Ilyushenko's words, lots of crimes have missed statistical records. According to Moscow's Prosecutor General's Office, 100 cases of homicide have escaped official statistics, although criminal proceedings on them have been started.

Ilyushenko claimed that the clear up rate in the country has gone up 10 percent this year.

Democrats Fighting Democracy 'With Own Hands'

LD2410200594 Moscow ITAR-TASS in English 1846 GMT 24 Oct 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[FBIS Transcribed Text] Moscow October 24 TASS—Chief of The President's Administration, Sergey Filatov, has expressed regret in an interview with ITAR-TASS today, saying that "democrats are fighting democracy in Russia with their own hands." This was Filatov's response to a series of publications and broadcasts in connection with speculations about the split in the government and charges of corruption brought against the Russian Defence Minister Pavel Grachev.

Sergey Filatov believes that the dramatic fall of the rouble on "black" Tuesday of October 11 and rumours about the resignation of Prime Minister Viktor Chernomyrdin "were timed" by the opposition to coincide with the vote of confidence in the government scheduled to be held by the State Duma on October 27.

As regards accusations made by a number of public leaders against Pavel Grachev, Filatov said that "in democratic society, one can be accused of abuse of law only by a court of law."

Asked if the Control Department under the Russian president intends to complete an investigation into incidents of illegal sale of property belonging to the Western Group of Troops, Filatov said that the commission of the Control Department had long turned over all documents to law enforcement bodies and that it is the General Prosecutor's Office which will decide now whether the investigation should be continued or brought to an end.

"It is a distressful fact that there are forces in society which in their struggle for power did not even stop at a terrorist act against the journalist of MOSKOVSKIY KOMSOMOLETS newspaper Dmitriy Kholodov", Filatov said. He expressed concern about political acts "which are beginning to pose a threat to society." Filatov believes that "the aim of such acts is to find out whom different forces in our society side with" in order to help people and structures interested in the change of power carry through their plans.

Agrarian Party Forum Proceedings Reported

MM2510102094 Moscow SELSKAYA ZHIZN in Russian 22 Oct 94 p 3

[Report by special correspondent Valeriy Savelyev on 18 October extended session of the Agrarian Party of Russia Central Council at "Moskovskiy" Sovkhoz, Moscow Oblast: "A Bolshevist Phenomenon That Frightens Nobody"]

[FBIS Translated Text] An extended session of the Agrarian Party of Russia [APR] Central Council was held at the "Moskovskiy" Sovkhoz in Moscow Oblast 18 October. An aktiv representing the Russian Federation from the Transbaykal to Arkhangelsk was assembled. The participants included State Duma deputies and representatives of the government headed by A. Zaveryukha, the majority of the sector's trade unions, the Agrarian Union headed by V. Starodubtsev, agrarian science, the press, and even the Peasant Party. A report was delivered by APR Chairman M. Lapshin. Two questions were discussed—the results of the All-Russia Peasants Rally and preparations for the third party congress.

What impressions can one take away from the auditorium, where representatives of more than 20 regions spoke?

The APR, which numbers more than 200,000 members in its ranks and a mass of sympathizers, is gaining in prestige. The Agrarian Party's supporters are the clear "Bolsheviks" in the peasant movement. I am putting that word in quotation marks so as to stop speculation and avoid frightening ordinary people. The agrarians have become Bolsheviks [the majority] in terms of the numbers in their ranks, not in terms of communist ideology, which, as I observed, certain party members do not share as regards ownership rights—to land, for instance—or with regard to the church.

Along with its allies—the Agrarian Union and the agro-industrial complex trade union, where there are tens of thousands more activists—the APR represents a serious force in elections to any organs of power. The Agrarian faction of 55 Duma members, including I. Rybkin and influential people on many committees and commissions, is a weighty confirmation of that. More "points" were apparently scored after the deafening verdict on the democrats 12 December. As was demonstrated by the all-Russia rural rally organized by the APR and its allies. Envoys from all over Russia, except for Chechnya, came to Moscow 25 August. Private farmers, kolkhoz members, members of joint-stock companies and cooperatives, representatives of agrarian structures, economists—that is to say, the event turned out to be a real mass event.

Its seriousness is indicated by the content of the documents adopted at the rally. It issued demands addressed to the president and government, a petition [nakaz] on land to the Federal Assembly, and a Political Statement. It is clear from these documents that since the authorities will not listen to the economic demands of their own country's peasants, then, like it or not, by way of recognition that the economy most likely cannot be rectified without political changes, they have begun to put forward political demands. It was the rulers themselves, through their short-sighted activity, that prompted the rural dwellers to do this. And it is no use ranting on about extremism on the part of the disenfranchised and ruined countryside. After all, when it comes to the injured social dignity of the supreme breadwinner, who receives, instead of gratitude and reasonable cooperation, only financial slaps in the face, the peasant cannot help saying to himself: What use are these authorities to me? Surely this is clear?

How—many speakers asked—can Gaydar, Chubays, and ex-minister Fedorov talk about excessive "infusions" into the agro-industrial complex, when, first, the budget stipulated considerably fewer resources than the countryside actually needed, and, second, as of today, with the season's main work already behind us, the peasantry has received less than half of that slice of the budget, slashed as it already was? People had to work with what was left of their beat-up machinery, without fertilizers, going for weeks on end without fuel or spare parts; every step they took, on the fields and livestock units, they risked falling into the trap of nonpayments for products already supplied or shooting themselves in the foot with bank interest and taxes.

And what came of it? This year alone, sowings fell by 6 million hectares, and in the country as a whole 15 million hectares is "idle." If you work it out, cropland equivalent to 10 Russian oblasts is out of production. But it seems the state does not want even what is grown without it. If they do agree to take grain, milk, meat, or wool from the peasant, it is at giveaway prices, with payment "later." Even in Stavropol's land of plenty, many farms have debts that exceed the value of their capital. So what about Siberia, the Volga region, the Transbaykal, or farms geographically above Moscow, where natural conditions are risky or, every couple of years, extreme?

Yet the capital and a number of major industrial centers have started importing food. They ship food in from Europe and across the ocean, having no regrets about sending over there the dollars obtained by selling Russia's resources at knockdown prices, yet they spit on our own food, grudging the peasantry every kopek. What intelligent or sober person could imagine Paris or Brussels supplying 70 percent of their needs with Russian butter? Yet that suits Moscow.

The price disparity, low wages, the collapse of the countryside's "social sector" and rural construction.... Who does not know these and other instances of the all-out onslaught on the well-being of a once mighty sector of our country's economy? They report them even in the "democratic" papers and TV programs. They discuss them at the very "top." But the interesting point is that they forget to get to the bottom of it: Who is to blame? Maybe it is time they stopped blaming things on Lenin, Stalin, and Brezhnev? It turns out that they themselves are translating mere talk into politics.

That was why the State Duma deputies who spoke at the APR aktiv conference, having already passed through the crucible of their own election campaigns, insistently advised the Agrarian Party to take account of the political aspect in the struggle for the countryside's rights and look after the growth of its own ranks at once. The regional envoys spoke about difficulties along this path.

First, the APR clearly has insufficient mass agitation and propaganda media, especially electronic media, to counteract the large network of pro-presidential, pro-government organs. Second, directly "going among the people" is less effective not only because of the numbers of the audience attracted, but also by virtue of another objective factor. Stupefied by the political ballyhoo of recent years, the peasants are simply turning away from assemblies and rallies. The desire to separate the "wheat from the chaff" and come out on the side of those who really express your own needs and problems is not easy to stimulate. There are 56 registered parties in Russia, every one of which, among other things, promises to stand up for the peasant, and just you try to distinguish who is only talking and who is prepared to roll up his sleeves.

Yet the APR's prospects for growth are certainly excellent. Basically, its influence does not yet cover—apart from rural commodity producers—raw materials processors in the cities, rural construction workers, collectives of plants producing equipment for the agro-industrial complex, medics, students, teachers, scientists, and the rural parishes of various religious faiths. Their bosses, so to speak, are to some extent well informed about the APR's activity, but what about the "grassroots," of whom there are millions?

Given favorable circumstances, the disposition of forces could be as follows. The mass of the people, sick of hearing, from both left and right, words that are sweet enough, but devoid of every shred of real life, will settle in the "center," where the APR is. If only because here there are no calls to take up the ax, only the workmanlike desire to feed, clothe, and shoe the country in its own products, where, finally, there is the desire, in the event of election victory, to place in the key state posts—not excluding the presidency—people who know about hard work on the land at first hand, understand it, and know how to do the job. And the logic of life implacably insists: A ruined countryside means a hungry city. Anyone who grasps that, will vote for the APR and its allies who stand up for the countryside. That is, given the entirely predictable results of future elections, the APR is realistically capable of participating on a constitutional footing in the direct formation of the power structures.

Naturally, the process of "Bolshevization" of the APR [its becoming a majority] in the peasant movement does not please its opponents. This very serious concern has prompted the increasingly ragged and ill-assorted camp of the former democracy to take countermeasures. These include the attempt to postpone even the legal time limit for the elections. Something else was also discussed at the session.

The AKKOR [Association of Russian Peasant (Private) Farms and Agricultural Cooperatives] leaders are disseminating an appeal to Russians, seeking to knock together some kind of alliance—a landowners' forum. The aim is clear. Trying to create a mass pro-presidential movement is not going to work—OK. But as for taking away some of the votes from the APR, the Agrarian Union, and the trade unions—that can be done. The desire is as pressing as that of a hungry man who smells food, because the hopes pinned on Yu. Chernichenko's Peasant Party have collapsed. The fruits of "land, ownership, spiritual life, and order," for which so much paper was plowed up, have failed after all to grow in the asphalt. Elegant rhetoric is even further removed from the furrows. Now it is AKKOR's turn to sow discord among the peasants. This is more dangerous, since among those blatherers there are people who really are the "salt of Russian earth," who, deceived by slogans, could with their own hands plow a dividing boundary-strip.

So the APR aktiv must make fuller use of the preparations for its third congress and interpret more broadly the party's tasks as set forth in the draft program and in the documents being prepared from the agrarian forum. The initiative, gained after so much effort and time had been spent, must not be seized by speculators. And the congress itself, which is scheduled to be held 27-28 November in the Hall of Columns of the House of the Unions in Moscow, must animate the activity of the undoubted leader of the peasant movement in Russia.

Media Issues

Radio Moscow World Service Changes Name

LD2410134294 Moscow Radio Moscow World Service in English 1200 GMT 24 Oct 94

[FBIS Transcribed Text] Dear Listeners, in accordance with a decree by President Boris Yeltsin of Russia, Radio Moscow World Service has been transformed into a state radio broadcasting company, the Voice of Russia World Service.

As of 29th October this name will be heard in our programs. At the same time our call sign that you are accustomed to and the announcement, This is Moscow, remain unchanged.

We hope the 100 million audience of those who listen to foreign broadcasts from Moscow will easily pick us up and tune their sets to Voice of Russia World Service frequencies. These are Moscow's frequencies on which we have been broadcasting in foreign languages for 65 years exactly.

Document on Copyright Status of ITAR-TASS Items

MM2510092194 Moscow ROSSIYSKAYA GAZETA in Russian 22 Oct 94 p 5

[Recommendation of the Information Disputes Appeals Court Under the Russian Federation President "On the Legal Status of ITAR-TASS Materials," dated 14 October 1994, No. 4, Moscow City, signed by Appeals Court Chairman A.V. Vengerov]

[FBIS Translated Text] A statement made by ITAR-TASS General Director V.N. Ignatenko requesting clarification on the following questions has come into the Appeals Court for Information Disputes Under the Russian Federation president:

1. Is an information product (reports, commentaries, video and photographic materials, and so on) created by the collective of the agency and circulated by it among consumers of information on a commercial basis the subject of protection of copyright?

2. Does ITAR-TASS have the right to use the protection of copyright sign and place it on its information products?

3. Can news agencies and mass media levy a payment for an ITAR-TASS information product having made amendments to it to suit their own specific conditions and regional features?

In accordance with Article 21 of the Statute on the Appeals Court for Information Disputes Under the Russian Federation President, ratified by Edict No. 228 of the Russian Federation President dated 31 January 1994, the Appeals Court makes the following recommendation.

1. In accordance with Article 7 of the Russian Federation Law "On Copyright and Related Rights," literature, audiovisual products (including videos and other cinema and television products) and photographic products are the subjects of copyright.

Under Article 8 of the aforementioned law, reports on events and facts of an informational nature are not subject to copyright. If the material goes beyond the framework of a report of an "informational nature," that is, it contains comment or analysis, or is the product of different creative activity on the part of the author, it is subject to copyright.

2. In accordance with Article 14 of the Russian Federation Law "On Copyright and Related Rights," ITAR-TASS has exclusive rights concerning the work done by

an author as part of his official duties or official tasks, unless otherwise envisaged in the contract between it and the author.

In accordance with Article 9 of this law, the possessor of an exclusive copyright has the right to use the copyright protection sign.

3. In accordance with Article 16 of the Russian Federation Law "On Copyright and Related Rights," the processing of materials which are the subject of ITAR-TASS copyright is only possible with its permission.

In the event of the lawful processing of ITAR-TASS materials (additional commentaries, analysis, and so on) by the editorial office of another mass medium, payment may be levied in accordance with a contract in accordance with the changes made.

[signed] Appeals Court Chairman A.V. Vengerov

Economic Issues

Gaydar Comments on Results of Ruble Crash

LD2410204794 Moscow INTERFAX in English 1909 GMT 24 Oct 94

[FBIS Transcribed Text] The leader of the State Duma faction Russia's Choice, Yegor Gaydar, has said that the recent sharp fall of the Russian ruble crossed out many achievements of the strict financial policy pursued by the Russian government in late 1993 - early 1994.

Gaydar told businessmen in Nizhniy Novgorod that the government had started to give up its positions pushed by the Communists and agrarians as far back as in April 1994 when it considerably increased the budget expenditures and the money supply. As a result, in August the inflation gap widened, the demand for hard currency sharply rose and the interest rate lowered against the background of gross mistakes committed by the Central Bank.

To back the ruble's rate, the Central Bank spent more than 60% of its hard currency resources during that period. However, it failed to keep down the demand for hard currency, Gaydar said. He pointed out that the currency market was destabilized, while the U.S. dollar skyrocketed which will inevitably boost inflation against the summer of 1994.

According to Gaydar, the inflation rate will double this autumn against the summer, the interest rate will grow and the demand for hard currency will remain high.

Gaydar said a very strict anti-inflation strategy must be chosen. In particular, he supported the government's intention to stop the Central Bank's crediting the budget deficit for 1995 at the expense of foreign credits and state bonds.

However, while implementing such a strategy the government may encounter such pro-inflationary trends as the continuing lobbying for enormous expenditures for the defense, agriculture and state machinery, he added.

Budget Committee Discusses Ruble Crash

LD2410192194 Moscow INTERFAX in English 1640 GMT 24 Oct 94

[FBIS Transcribed Text] The reasons for the sharp fall of the ruble on the currency exchange against the US dollar in early October are of a complex character and comprise macroeconomic, political, seasonal and other factors, the State Duma budget committee concluded at its meeting Monday.

The committee established that the Central Bank's measures to stabilize the ruble's rate could have only a short-term effect. To achieve a profound stabilization, a package of serious measures must be taken to regulate the currency and financial markets.

According to the committee, a special body must be created within the Central Bank to make strategic decisions like setting the discount rate, reserve positions, policy on the open market, etc. A law on forming and use of the country's gold and hard currency resources must be passed.

The procedure for setting a reference rate regularly published by the Central Bank must be changed in order to ease its strict dependence on the daily exchange rate, the committee said.

The parliament should pass a law on the Central Bank to legislatively provide for certain restrictions on the structure of assets and setting interest rates on people's deposits.

The committee established that the October 11 panic showed the lack of a mechanism to coordinate the activities of economic and financial structures in order to keep the ruble's rate more or less stable and smooth its sharp fluctuations.

Savings Bank Boosts Interest Payment Terms

MM2410101194 Moscow IZVESTIYA in Russian 22 Oct 94 p 2

[Report by Ivan Zhagel: "Terms for Sberbank Deposits To Be More Attractive"]

[FBIS Translated Text] There has been a pleasant report from the Russian Bank for Labor Savings and Credit to the Population [Sberbank]: A new procedure for calculating interest on term deposits is to be introduced as of 19 October with interest paid monthly.

I would recall that, in the wake of many other banks, several months ago the Sberbank started offering customers a term deposit with additional payments and monthly interest. But if you did not withdraw the interest, the amount would not be added to the principal. Admittedly, you could go to the bank every month yourself and, as they say, capitalize the interest. In other words, withdraw it and then use it to top up your principal.

Naturally, this was very inconvenient and, since other banks were automatically capitalizing interest, the Sberbank was losing out to its competitors. But the board of directors has now decided that interest will be applied to the principal automatically. To all intents and purposes, this system means that the real income on this kind of deposit will increase by 50 percent, since each month interest will be paid on a larger sum.

Of course, the Sberbank is now one of many commercial banks and we should not, perhaps, be advertising its services. But, on the other hand, for many of the people of Russia it is still the only accessible bank, and therefore they should be aware of the new opportunities available to them.

Bank Explains Reasons for Interest Payments Halt

MM2410110794 Moscow IZVESTIYA in Russian 22 Oct 94 p 2

[Report by Yaroslav Shimov, followed by report by Ivan Zhagel on an undated interview with Konstantin Shor, chairman of the Central Bank of Russia Main Administration for Moscow, under the general headline: "'Chara' Reassures Its Customers"]

[FBIS Translated Text] A few days ago the "Chara" Bank, which is part of the "Chara Holding" group of enterprises, stopped paying interest on deposits—alarming the bank's customers, a considerable proportion of whom are representatives of the creative intelligentsia.

The "Chara" management give several reasons for stopping the payments, chief among which is the recent surge in the ruble against the dollar. The terms which "Chara" is proposing are as follows: Payment of dividends will stop for four months, after which depositors can withdraw the sum they deposited plus interest at the rate of 240 percent.

Bank President V. Radchuk appealed to depositors not to go to court since, he believes, litigation could lead to "Chara" accounts being frozen—which would hurt both the bank and its customers. Radchuk gave an assurance that "Chara's" money difficulties are temporary—particularly since the company, as he put it, not only owns considerable amounts of property in Moscow but is also aiming to raise a major loan from a "private foreign source." [Shimov ends]

The "Chara" situation also attracts attention because, unlike previous scandals, when various financial companies failed in their obligations to depositors, we are now talking about a commercial bank. And many specialists believe that, whereas previously the Central Bank of Russia could get away with statements that it was not responsible, it must now immediately intervene in the situation.

The view is even being expressed that, on the basis of the breaching of commitments to depositors, the Central Bank should immediately freeze all of the "Chara" commercial bank's accounts so as to guarantee at least the partial repayment of customers' funds. Why has this not yet been done and why is "Chara" continuing to conduct financial operations? We put this question to Konstantin Shor, chairman of the Central Bank of Russia Main Administration for Moscow.

Shor believes that there are as yet no grounds for freezing "Chara" Bank accounts—all the more so as it serves not only individuals but corporations as well. And the Central Bank does not have the right to stop their operations. Moreover, whereas previously the "Chara" Bank had been fined for violating certain mandatory normatives, since 1 October all its normatives have been in order and it has not paid any fines. According to Shor, the fact that the bank is not insolvent is shown by the funds it holds in agent accounts at other banks, and by its other assets—real estate and securities.

Although, on the other hand, Shor was unable to explain why, when it has these assets, "Chara" has not realized them and has failed to put a stop to the panic in its midst. He also confirmed the previous report that last week the bank had had receipts of several billion rubles in cash—but, obviously, this was not enough to meet the needs of all of its customers.

Emphasizing yet again that it can be concluded from the documents submitted that "Chara" is getting out of its difficulties, Shor nonetheless noted the large percentage of the bank's assets that are in high-risk investments. These are high-yielding but sometimes threaten to produce substantial losses.

Soskovets Seeks Tougher Control Over Oil Refineries

LD2410131094 Moscow INTERFAX in English 1135 GMT 24 Oct 94

[FBIS Transcribed Text] Since share-holders fail to control the joint-stock oil refineries properly, the government needs to do so to avoid abuses, First Deputy Premier Oleg Soskovets believes.

He told INTERFAX with reference to an inspection of some oil refineries, their working assets are formed mainly by loans from industrial creditors rather than from banks. As a result, sizable funds are exempted from overall economic circulation.

Only 19.5 percent of the borrowings are materialized in production. Some 16 percent remain in cash form, with more than half of the sum being kept in banks as currency accounts for profiting by ruble fluctuations on money markets. For instance, Norsi, a joint-stock oil refinery at Nizhniy Novgorod, netted 44.2 billion rubles through currency speculation and gained 45.3 billion rubles from the sale of oil products.

Oil refineries are also blamed for supplying products to domestic and foreign consumers without payment. For instance, an oil refinery at Omsk exported oil products worth $71.4 million, of which only $26.4 million were cashed. "Some enterprises provide credits to the world economy at the expense of Russian resources," Soskovets said.

He described as "unsatisfactory" work to repair and restore oil wells. Of the 8,000 wells to be repaired with foreign help, only 3,300 have been put back into action at the cost of $685 million with debts to foreign firms totalling over $250 million.

Current Issues Panel Eyes Fiancial-Industrial Groups

MM2410161394 Moscow KRASNAYA ZVEZDA in Russian 24 Oct 94 p 3

[Own Information/ITAR-TASS report under "In the Russian Federation Government" rubric: "Program for Setting Up Financial-Industrial Groups"]

[FBIS Translated Text] The Commission for Current Issues, under the chairmanship of First Vice Premier Oleg Soskovets, has examined and basically approved the draft "Program To Promote the Creation of Financial-Industrial Groups" drawn up by the Russian Federation State Committee for Industrial Policy. The draft was presented by Igor Shurchkov, chairman of the State Committee for Industrial Policy.

According to him, the formation of 10-15 financial-industrial groups can be expected already this current year, and the experience gained in their formation will serve as the basis for setting up 50 to 70 major financial-industrial groups in 1996 [as published]. Shurchkov said that in the machine building sector financial-industrial groups will become one of the major ways of implementing large investment projects designed to modernize those sectors. Large-scale conversion programs connected with producing integrated equipment for raw-materials and processing industries can be carried out through financial-industrial groups.

At the same time, the committee chairman observed, the process of forming financial-industrial groups may affect coal mining, the manufacture of construction materials, the food industry, and light industry to a lesser extent. "Setting up financial-industrial groups is an important stage in the fundamental institutional and structural transformations of industry," he stressed.

The creation of financial-industrial groups is dictated by the slump in industrial output and the structural reorganization of the economy. Industrial output fell by 26 percent in the first half of 1994 compared with the same period last year. The following sectors are responsible for big falls in output: machine building—45 percent; light industry—41 percent; chemical and petrochemical industries—35 percent. Sectors producing capital goods [produktsiya investitsionnogo naznacheniya] showed the largest decline in output.

Certain substantial shortcomings were noted during examination of the draft, which the State Committee for Industrial Policy along with interested ministries and departments have been allocated two weeks to rectify.

Shumeyko Discusses Media Freedom, Economy

MM2510095394 Moscow RABOCHAYA TRIBUNA in Russian 21 Oct 94 p 3

[Second and final part of account by Viktor Andriyanov, Natalya Kuzina, and Valentin Loginov of undated discussion at paper's offices with Russian Federation Council Chairman Vladimir Shumeyko: "How Russian Idea Sounds Today"]

[FBIS Translated Text] [RABOCHAYA TRIBUNA] Vladimir Filippovich, do you believe that 49 parties in Russia is an absurdity, that we cannot and should not have so many parties? But they do exist and are making themselves heard increasingly loudly.

[Shumeyko] Essentially we have no real parties (with the exception of perhaps two—the Russian Federation Communist Party and the LDPR [Liberal Democratic Party of Russia]). But there are programs. To be honest I was not lazy even while on vacation (this year my vacation was 20 days but last year just nine days) and I read all the programs. And you know, despite the sometimes diametrically opposed nature of their compilers' positions, there is much that unites them: a sense of belonging to a power, spiritual renewal, and the prosperity of the entire people and not just of individual rich men.... That means we can reach agreement! After all, civilized accession to power should not change the authorities and society should be sure that what it has worked on and achieved will remain for centuries. Legislators must also work for this.

Incidentally, as vice premier I headed the Russian tripartite commission on social partnership between the government, the trade unions, and employers and even then I stated openly that it was not needed in that form. The vice premier cannot be an arbiter in it because the government itself is an employer. The rank of the tripartite commission must be raised. The legislator, representing both chambers of parliament, should be the arbiter here. Because if we seek something from the state we must do it via the laws which really protect people employed in hired labor. And the majority of these people are interested in a normal sufficiency in exchange for honest labor. That is our Russian idea. It cannot be implemented without agreement in society. And we have a constant struggle under way. It is constantly under way and will never end.

[RABOCHAYA TRIBUNA] It will end! But how? The fuse is exposed, next to the dilettantes and self-seeking people we have already mentioned. As an engineer, Vladimir Filippovich, you know that for people to see that an engineer is really an engineer he must work. The above-mentioned characters do not work but "sort out their relations" and intrigue.

[Shumeyko] I agree.... But I repeated and want to repeat once more: Where does that mentality come from?

[RABOCHAYA TRIBUNA] But we have already changed, even our old men have changed.

And another thing. It is time not only to stop dividing society into reds, whites, greens, and blues, but for everyone to work. We must give work to the plants, factories, collective farms, private owners, and firms.

[Shumeyko] Yes, the situation in society is complex. And only together will we succeed in changing it. And we must indeed begin to work, to stop engaging in political fighting.

[RABOCHAYA TRIBUNA] Vladimir Filippovich, let us return to the senate. Are you satisfied with its work and its results?

[Shumeyko] The senate is good when it works as... a senate. But it works like that when the legislative process is under way on the Constitution. If the Federation Council agenda does not include questions which are assigned it and it alone by the Constitution, we begin to have the notorious party and economic aktiv. And that is what often happens.

In summing up the results of the first session all the senators agreed that we worked unsatisfactorily from the viewpoint of constitutional influence on the state. The formation of a Constitutional Court and the approval of the general prosecutor have been dragged out.... We did not, in conjunction with the Duma, adopt the laws which should have been adopted urgently.

[RABOCHAYA TRIBUNA] What laws are you talking about?

[Shumeyko] Look at what is happening.... There is still no civil code. There is no criminal code or criminal procedure code. And that in a state called a rule of law state? Nor is there new tax legislation, and how we can approve the budget for 1995 without it I cannot yet imagine....

But there is more. There is no electoral code (I have in mind an entire collection of laws—on the election of the president, on the election of the Duma, on the procedure for forming the Federation Council, on the election of administration heads). There is not a single one of the laws which we need as we need air!

I do not say this in justification but I must specify that the senators are second on the path of lawmaking. Under the constitution we cannot begin to adopt laws without the Duma.... But I read a list of acts recently submitted for voting by the Duma deputies: a law on the animal kingdom, on seemingly natural therapeutic springs, on road traffic.... The lack of system in legislative work (it is not those acts which are extremely necessary but those which are "ready" which are adopted) is its most serious flaw.

[RABOCHAYA TRIBUNA] Can this go on for long, do you think? Surely not until the end of the Federal Assembly deputies' powers?

[Shumeyko] We will try to rectify the matter in the very near future. I recently visited the president with my deputies. We suggested to him: As head of state, Boris Nikolayevich, bring together the leaders of the Duma and all its committees and factions and the leaders of the Federation Council and all its committees. Let the prime minister come, invite other responsible officials.... We will argue yet again but we will approve a strict list of the most important laws and a schedule for the preparation of drafts and their possible adoption.

[RABOCHAYA TRIBUNA] At the very end of the last sitting of the Federation Council's previous session the association of deputies "for constructive cooperation" announced its presence. What is your attitude toward it?

[Shumeyko] The creation of factions is forbidden for us in the Federation Council. Our aim is to find the state interest of all the regions. In their time free from work senators may of course study any other problems. And when at one session former Industry Minister Titkin announced the creation of a group of deputies he specified that it was by no means a faction but would simply meet and discuss the problems which arise.

What is their slogan? "Building democracy with a human face!" That is their slogan. I had a talk with Aleksandr Alekseyevich Titkin. I said to him: Gorbachev advocated socialism with a human face. But, he said, Gorbachev was for socialism and we are for democracy.... But democracy is the power of the people. And what kind of a face do the people have, is it not a human one? But that is how it is from the corridor debates....

[RABOCHAYA TRIBUNA] This association has a good name, in the spirit of the times, "for constructive cooperation!"

[Shumeyko] That is true. But here is what other senators noted: It is those who have already been in power who have united and they seem to be very anxious to return to power. A kind of syndrome? I myself have not yet experienced it although it is not out of the question that I shall before the end of the term of my present powers. Then I shall learn whether I want to move up again. Perhaps it is also this syndrome which is prompting some senators to make their presence felt more loudly than others.

[RABOCHAYA TRIBUNA] Vladimir Filippovich, a question for you as chairman of the Interparliamentary Assembly of CIS states. How do you assess the effectiveness of its work?

[Shumeyko] I became chairman of the Interparliamentary Assembly in February. I do not assess it as highly as I would like. Nonetheless....

Here is the agenda for the next sitting, to be held 28 October. There are two questions—the first is the adoption of the model Civil Code. I consider it a tremendous success. Because for a society with a market economy this code is even more important than the Constitution.

This code, on instructions from the assembly, was elaborated in Russia, and incredible efforts were required for it eventually to reach the Duma. The Duma is adopting it and we must adopt the first part of the Civil Code. At the decision of the Interparliamentary Assembly the legal institutions of the assembly itself should prepare and deliver a model civil code prepared on the basis of the Russian one. The document has been elaborated very thoroughly and I hope it will be adopted. And then an almost identical civil code will operate in all CIS countries. That is one of the bricks of an association which guarantees the overall conduct of citizens in the economy customary in any country.

The adoption of model laws gives the Interparliamentary Assembly itself the opportunity to enhance the effectiveness of its work. As soon as the CIS heads of state and government adopted a decision to create the Economic Union, we put on the agenda of the Interparliamentary Assembly the question of preparing economic acts which should reinforce the Economic Union. We agreed on which draft laws would be prepared by the Georgian Government and which by the Armenian, Kyrgyzstan, and Russian governments.... That is the second step on the basis of the common civil code.

Or take the second issue on the same 28 October agenda. We have invited representatives of organizations which unite veterans of the last mobilization for war—in 1945. We have agreed that approximately the same laws be adopted in all CIS republics for the 50th anniversary of the victory because everyone fought for a single, mighty Soviet Union and people are absolutely not to blame for the fact that the union has collapsed. And it is not appropriate that in Russia, for instance, on the social plane, one thing is adopted for the 50th anniversary of the victory while in Kazakhstan something else is adopted. The last mobilization for war includes those who were 16 or 17 years old in 1945. The boys were drafted before the end of the war. And after the war they served for five to eight years. They also had enormous difficulties to face. They took the oath while they were still minors and they served for eight years instead of three.

There are not that many of them but in 1978 by an edict they were deprived of the title of veterans of the Great Patriotic War. They all have the medal "for victory over Germany." You remember what the criterion was: Those awarded this medal were considered veterans of the war. They all have the medal "Our cause is a just one and we won," but they do not have the benefits of war veterans. They are already elderly, old men, and are all equally unfortunate in all CIS countries.

We sent the Duma a draft law suggesting they all be considered in the same law on war veterans. Once again they were rejected.... It was said they had not fought, what does it matter that they were caught by the last month of the war?! They did not fight, our veterans are different. This is some kind of topsy-turvy logic.

It is these people we shall try to help. Especially as there is no need for a law, but only for two lines to make them equal with war veterans in terms of social provision. And everything is in order.

This problem exists not only in Russia but also in all CIS countries. On 28 October representatives of associations of veterans of the last mobilization are coming to St. Petersburg, we are paying their fare, and we are holding a conference within the framework of the assembly.

Those are simply two questions on the assembly's agenda. If we organize its work correctly the Interparliamentary Assembly can be of great benefit to unification on a normal basis. Provided we do not try once again to force the issue [lomat cherez koleno]. You cannot bring back the old system, you have to think on different lines, separate the interests of the state from transient political tasks.

[RABOCHAYA TRIBUNA] It is well known that major banks are buying up newspapers, journals, and television channels. Newspapers that are not selling themselves are finding themselves in a tricky position. RABOCHAYA TRIBUNA does not have a bank as backer nor are we seeking one since we value our freedom and independence.... How do you view the redistribution that is clearly taking place within in the mass media? Do you not deem it a threat to democracy?

[Shumeyko] We have come back to something that we have already discussed, the philosophy of life. Even in a highly developed democracy, the kind that only exists in the West, there is no free mass media. Not a single one. They are all backed by major capital, owners who have bought them. In that respect the mass media are not free. The fact that the developed system of democracy, all this notwithstanding, provides an opportunity for free expression is another matter. Within a certain context, admittedly.

If that is what we want, we can have that once all the press in Russia has been shared out. It has already begun to be divided up and those forces on high behind the banks have almost shared it out. When I was minister of the press for three months I could clearly see the process you are now asking me about, namely some political groups making efforts to gain control of the press. In my view, that is a terrifying phenomenon. If the press belongs to any one political force, no matter whether it is deemed progressive or regressive, there will be no objective reflection of what is going on in society.

I find it easy to read newspapers for instance. I pick them up and can see from the way that a single incident is covered: Aha, these are backed by such-and-such and these are backed by such-and-such.... Well, you can see why they say precisely what they do and I am not interested in anything else because it is not the journalist's opinion, but the opinion of the people who have prescribed how things should be written....

[RABOCHAYA TRIBUNA] What about RABOCHAYA TRIBUNA?

[Shumeyko] I have not seen that kind of thing in RABOCHAYA TRIBUNA.

[RABOCHAYA TRIBUNA] But the state is stifling us, Vladimir Filippovich.

[Shumeyko]] And why is it doing that? Because the state at this time constitutes the sum total of all these forces and you do not fit in with any of them. Like you, I do not have a bank backing me although close links with "Most" Bank are attributed to me.

I had ties with "Most," I will be frank with you, when I was press minister. Then I expended a fair amount of effort and energy on ensuring that NTV emerged, ensuring that a fairly independent channel appeared on television. Incidentally, today everyone without fail watches not only the official news, but also NTV to see what they are showing.

I can only share your desire to preserve my freedom and independence from political groups, from all this alignment.... And at the same time I realize that life is hard, financially hard. Independence must be preserved by any means.

[RABOCHAYA TRIBUNA] It is a pity that you were not minister of press and information for longer.

[Shumeyko] When the Ministry of Press was left without a minister, the president telephoned and said: At this difficult time, until a definite candidacy had been arrived at, you, as vice premier responsible for this area, should take charge of this ministry. Much as I protested, I had to become the minister. And my area of responsibility included parties, movements, science, art, culture, education, by and large everything previously known as ideology.... The newspaper ROSSIYA has already written that Shumeyko is not Suslov, but aspires to become an ideologist.... Incidentally, I sat in Suslov's office on Staraya Ploshchad....

[RABOCHAYA TRIBUNA] And did his ghost appear to you?

[Shumeyko] The shades of these top men appeared and said that a great deal had gone on within these walls.... Andropov followed Suslov in that selfsame office, then Chernenko, Gorbachev, Ligachev, and later Ivashko and Burbulis.... There were all sorts there.

One newspaper listed who did what as press minister. They said the following about me: Shumeyko did nothing as press minister, thus considerably benefiting his area of responsibility.

That is the absolute truth. I did not interfere in these processes, I only tackled general problems. I looked for funds and found a fair few at the time. I began looking into the publishing business and did a lot of work with television. I did plenty of things of a purely economic nature. I did not jump into things because you should not tackle things of which you have no knowledge. I simply had to prevent this system disappearing within the state and enable it to lead a normal life.

[RABOCHAYA TRIBUNA] A normal life is impossible, there is constantly all kinds of upheaval. Political, economic, financial....

[Shumeyko] What can be done about that? I myself say that elections should be postponed and we should work calmly. But you look at all this and you think: Perhaps, everyone should be reelected? But there is no certainty that people with greater knowledge of legislative work will come along after the elections.

[RABOCHAYA TRIBUNA] Vladimir Filippovich, there is the newspaper rubric "Rumor and Authoritative Sources." Thus, people are saying that Shumeyko has acquired a villa in America. Those are the rumors. But how do things really stand?

[Shumeyko] I can say with authority that this is untrue. My older daughter, she will shortly be 26 years old, graduated from an electronic instrument making technical college and got married. She studied in the same group as her future husband. They are both programmers and operators. He is an intelligent guy, he can spend hours sitting down programming even computer games. They left Krasnodar for a Russian organization in Washington; they both work with computers. Their time there comes to an end soon and they are coming back.

What have they not written?! My grandson was indeed born in America. But as my daughter got pregnant there, should she have returned right away?! In purely human terms I do not understand it.

Everyone says that he is a U.S. citizen. He is not anything of the sort. They have the following procedure over there: The maternity hospital issues a certificate with a photograph attesting that he was born there. And when the person comes of age, if they so desire, they can use this certificate to acquire citizenship.

I have already gotten accustomed to all this talk. Once on television a program showed a photograph of my wife wearing shorts. Rumors immediately flew around Krasnodar, and I have lived there for 35 years: Shumeyko has divorced his old wife since pictures have been shown of such a young woman.... Well, that is a compliment to my wife: I said to her, you look terrific to me.

[RABOCHAYA TRIBUNA] Vladimir Filippovich, can we ask you a musical question? Who do you prefer as a conductor—Rostropovich or Yeltsin?

[Shumeyko] Neither in that role. Rostropovich was never a good conductor in my view. As for Boris Nikolayevich, you see the thing is....

There is nonetheless protocol and that is a very strict thing and should be the dominant issue for every statesman. Our Russian desire to behave as we have grown accustomed to behaving is not seen as we ourselves see it.

I was there all the time, we went everywhere together. The day was extremely hard. There were splendid speeches. And you know I am not a sentimental man, but when our soldiers began to sing "Farewell, Germany," tears start to flow. I did after all also spend 38 months serving there in the tank troops, and have been to Treptow Park several times.

I repeat, the day was very hard, and everyone was tired. And the president was under more strain than anyone else. And if people link his playing the conductor with this (an expressive gesture followed), then I can say as his living witness: There was nothing of the kind. Apart from a glass of the red wine that the Germans are accustomed to drinking. The general strain took its toll.

But how is everything now being interpreted and portrayed?! You are right from the point of view of protocol. I should not object here because the head of state must be the head of state. At the same time all the positive elements of the visit have been relegated to the back burner and these "high spirits" are being brought to the fore. But that is also wrong. That is not objective either.

[RABOCHAYA TRIBUNA] Let us go back to the economy, Vladimir Filippovich. What lies in store for all of us?

[Shumeyko] I will say again something that I have already said when addressing deputies. The economy has switched from being hopeless to being critically ill. And that does nonetheless represent a step forward. A critically ill person can be treated. And must be treated.

And although I will cop it, I am insisting on my position: The state must engage protectionist measures to support its commodity producers. Where is the paradox in that? The commodity market is not aware of the decline in production. The market is being filled with foreign goods. And it can live like that for 300 years; it can carry on like that forever even if we produce nothing. The market can be filled with imported goods.

Once again we are going from one extreme to another. When all the goods had disappeared, when there was virtually nothing, the government was faced with a single task, that of filling the commodity market by any means. Because if there are no goods, barter kicks in along with the renunciation of money, the direct exchange of lard for pants, and ultimately civil war.

Civil war in Russia must not be permitted. Politicians who utter these words are irresponsible. Because in a high-technology state with nuclear electric power stations [AES] and dams above cities, there must be no civil war. You only have to blow up one AES and you will forget altogether what was here. Isn't Chernobyl enough? Civil war must not be permitted in principle. It must be stopped by any means should it start to develop.

Now the commodity market on average throughout the country is 76-percent full. But by no means with our goods regrettably. And the complexity of the situation lies in ensuring that, having changed its program, the government preserves the market and supports its commodity producers. And in ensuring that our goods appear on the market.

You must always be able to find the key to all these quests and disputes. As Lenin said, although virtually everyone criticizes him now, you have to find the link in the chain which you can pull on to extricate the whole chain. Which link is the most important at this stage. The main thing, and I say this once again, is the possibility of finding the state's strategy via civil accord. We have a unique opportunity to build a Russian state without fighting and civil war. Let us do so together.

[RABOCHAYA TRIBUNA] RABOCHAYA TRIBUNA shares your position.

[Shumeyko] Although many people badmouth your newspaper and say that it constantly does nothing but criticize, it has provided at least something positive. Any regular RABOCHAYA TRIBUNA reader can see that is not true. It contains positive articles, experience of economic reforms and it has the PROMYSHLENNYY VESTNIK supplement, which backs Russian industry....

[RABOCHAYA TRIBUNA] Thank you, Vladimir Filippovich, for your kind words and advice, and for this meeting with RABOCHAYA TRIBUNA's journalists.

Military & Space Issues

Grachev Deplores 'Monstrous Political Provocation'

MM2410112394 Moscow KRASNAYA ZVEZDA in Russian 22 Oct 94 p 1

["Statement by Russian Federation Defense Minister;" date, place not given]

[FBIS Translated Text] A large-scale, unprecedented campaign whose organizers have overstepped all legal and moral norms, including the elementary concept of the presumption of innocence, has been mounted in recent days against me and the Defense Ministry leadership.

I declare with the utmost responsibility that this is nothing other than a monstrous political provocation that is sophisticated in its methods, approaches, and forms. And the technique for fueling hysteria around the leadership of the military department and creating an enemy image comes straight from the book of the worst and most sinister examples of the totalitarian past.

The aim of the campaign's organizers is to force the defense minister to resign. Anything goes in order to achieve this: cynical exploitation of the fact of the tragic death of a journalist, filthy insults, slander, and trampling upon human dignity.

I am not a timid person, I have repeatedly stared death in the face on the battlefield. Like tens of thousands of our officers and generals, I have the knowledge and ability to defend the motherland. I also know how to defend my honor as an officer and dignity as a human being.

In accordance with legislation I have asked the Russian Federation General Prosecutor's Office to institute a criminal case and bring criminal proceedings against the slanderers.

I am grateful to everyone, especially the servicemen of units and formations, veterans, and people who have been calling me and sending numerous telegrams expressing moral support and understanding of the situation.

Servicemen have already repeatedly had the opportunity to see for themselves the sophisticated and underhand tactics of the organizers of anti-Army campaigns. The point here is not the identity of the defense minister against whom the main assault is directed. Everything is far more profound. The behind-the-scenes orchestrators of the persecution are trying to cause a power crisis. By playing the Army card for the umpteenth time, they are pushing society toward the dangerous point beyond which total chaos and anarchy lie.

But the Army has not fallen and will not fall for any political provocations. I have already stated repeatedly and I reiterate that we military men want just one thing—stability and civil accord in society. The course of the organizational development of the Russian Armed Forces, their reform, and the level of social protection and well-being of servicemen and their families directly depend on this.

That is my stand.

[Signed] Russian Federation Defense Minister Army General Pavel Grachev

Denies Any Part in Corruption, Killing

MM2410165194 Moscow IZVESTIYA in Russian 25 Oct 94 p 5

[Interview with Defense Minister Pavel Grachev by Nikolay Burbyga and Valeriy Yakov; date, place not given: "Pavel Grachev: I Will Resign If I Sense the President's Lack of Confidence"]

[FBIS Translated Text] [IZVESTIYA] Pavel Sergeyevich, numerous items have been published in various newspapers criticizing not only your department, but you personally. Some of these items have been of the nature of exposes—documents were quoted and impressive facts cited. And in the past week, since the death of Dmitriy Kholodov, your name has constantly been in the pages of many publications. You, however, remained silent before, and even now you have given almost no explanations. How are we to understand this? Have you nothing to say?

[Grachev] What do you mean, nothing to say? I have responded many times to published items. But Pavel Gusev himself, from MOSKOVSKIY KOMSOMOLETS, has stated frankly that they will not publish our rebuttals. KOMSOMOLSKAYA PRAVDA sometimes carries a little note—look, they say, there has been a denial.... But in many cases I certainly was not going to reply, because how many times can you justify yourself on one and the same question?! An illustration—that story about the Mercedes cars: Yes, I made the decision to buy them. That is what I am the minister for—the sole commander—in order to make the decisions: Do we do it, or not. One of them was handed over to the special-purpose garage, the other is the "guest" car. Where is the robbery in that?

So they write: Grachev is an unpopular minister? Who has seriously looked into that? Have they traveled around the troops talking with people, or what? No, they have listened to people who spread idle talk around Moscow, people who were dismissed for idleness or who bear a grudge because of the army reform. But how can I reduce the army from 3 million people to 1.5 million and keep everyone happy?

Now there has been a tragedy. There have been different responses to this, too. Just look at the pile of telegrams I received on just one Sunday. I am receiving words of support not only from the high-up chiefs, but from company and platoon commanders, heads of administrations, civilians, people I have never even met.... Sensible people can see that the campaign that has been launched is without foundation.

And another aspect of it is that many publications are simply not brave enough to publish my view.

[IZVESTIYA] All the same, there is no smoke without fire. For instance, your dacha, or your son's white Mercedes, given to him as a wedding present by General Burlakov, or the boy's own rapid transfer from the Transbaykal to the WGF [Western Group of Forces]....

[Grachev] What kind of dacha? Can you really compare it with the mansions that certain big shots have built on Rublevka? They even have firing ranges in their yards for target practice, yet for some reason nobody writes about that—it's dangerous. But how come I, the defense minister, a man who fought in the war for five years, a Hero of the Soviet Union who was in all the hot spots, am not entitled to have a dacha? The simplest little dacha you could imagine.

Now they have started on my son. What has he, an ordinary lieutenant, done wrong? He never had any Mercedes. Is that really so hard to check, if you ask the GAI [State Motor Vehicle Inspectorate]? And likewise, Burlakov never gave him any car. Or else they talk about his service in the WGF, but he never served there, he was a paratrooper in the Transbaykal all along. Now they are writing that he is in command of a battalion, but in fact he is only in command of a group in the spetsnaz [special-purpose forces]. We have written dozens of refutations of all this, but I repeat, they don't print them. Worse, after a while they go back to their lies again.

They have started writing about some garage or other, I am supposed to have asked [Moscow Mayor] Luzhkov for it for my son. Nothing of the kind happened.

In short, they invent nightmares....

[IZVESTIYA] Where did the initiative come from to institute one more deputy ministerial post—for Burlakov: from him, from you, from the president? Why did you defend that appointment so insistently, although Burlakov as an individual had long ago provoked a storm of criticism? Did you not realize that it would make your position more difficult?

[Grachev] Yes, I realized that. The initiative for the appointment was mine. The president supported me. Why did I do it? Because Burlakov has enormous experience. He has brought three groups of forces out of Hungary, Czechoslovakia, and Germany. Anyone who has any idea of the scale of that job will understand.

I was expecting criticism of him. It began with the corruption cases, we wrote about it, but they refused to publish us. All because in the past two years a great many enterprising (in quotation marks) people, including well-known deputies, went to the Western Group of Forces with proposals for opening joint commercial enterprises. And Burlakov sent them all away. Then the threats began. Even very high-ranking people started to warn him that he had better get out of the army. And now that he has suddenly become deputy defense minister, those he would not allow to get rich are starting to hound him.

Unfortunately, this hounding has had a powerful effect on him. His morale is in a very grave condition, I sense he is on the brink of snapping. It is possible to destroy a man like that, his wife is already laid up with a heart condition. This respected man who has served 40 years in the army has proved defenseless against mere youths.

[IZVESTIYA] But let us come back to the Mercedes. Why did you decide to acquire them by way of barter, basically, exchanging them for a consignment of obsolete "Ural-375" trucks, instead of requesting a car for yourself from the president's Administration of Affairs? Or from the Council of Ministers apparatus, where they are not particularly short of fine foreign cars....

[Grachev] The fact is that the president's apparatus is also short of them. Using the government ZIL's was banned. Instead, a list of ministers was drawn up who are allowed to travel in Mercedes. We had two of these cars, but Shaposhnikov, when he left the post of minister, asked to keep the ministerial Mercedes cars for his new post. I agreed. And then the opportunity arose to buy two new limousines in exchange for old trucks that even the Germans had refused to recycle.

[IZVESTIYA] Tell me please, would it have been possible to sell a large consignment of weapons, equipment, or property of the WGF in the Baltic region and elsewhere in such a way that you would not have known about it?

[Grachev] First, no commanding officer would venture to do such a thing—to sell even one combat vehicle or tank. Least of all abroad. Such things become known instantly, the same day. After all, we have an intelligence service and a counterintelligence service.

Second, all buying and selling abroad takes place via "Rosvooruzheniye." We only give recommendations.

Yet all at once they attributed the sale of—at first—16,000 tanks to us. Later they amended it to 8,000, although from the time of the formation of the WGF it only had 4,500. Even if we had sold them all, along with the life-size models, no way would it have come to 8,000. Yet they write such things, and people believe the newspapers. And the people form a corresponding opinion of the minister.

[IZVESTIYA] Nevertheless numerous top-secret operations involving the sale of diverse weaponry are constantly being carried out throughout the world. Including in our country, of course. Let us assume that such an operation comes to the knowledge of a specific journalist and he intends to write about it. What measures might be acceptable in any country, including our own, to prevent a dangerous article?

[Grachev] If such deals are indeed done, they are done by the leadership of the state, and no journalist is entitled to divulge these secrets. After all, we are talking about state secrets.

[IZVESTIYA] So there is a level of secret to keep which the leadership of a country or department can order the removal of a journalist?

[Grachev] What! Why should a country's leadership order the removal of a journalist when there is a law and an opportunity to approach the prosecutor's office so the journalist is brought to account.

[IZVESTIYA] However, to judge by the numerous articles of recent days and the divergent stories, it was almost you personally who authorized the removal of the journalist Kholodov. The explanation: He had become dangerous.

[Grachev] Let's argue this through. He had been criticizing me for two years, and I too let off steam at him the whole time. And everyone knew about this. So wouldn't I have realized that if anything was to happen to him an entire torrent of outrage would come my way? And why should I order the removal of anyone, especially Dmitriy Kholodov? What secrets did he know? None at all! All his criticism boiled down to spelling out banalities and rumors.

Basically this young man, whom I would have been proud to have as a son, showered a great deal of dirt on me. But although I called him names, I never took too much offense. One day we had the latest of our get-togethers (a year and a half or so ago), and I told him for all to hear: "Lay off, Dima—whatever you do it's always the same old thing! Give us something ordinary...." And he answered: "Pavel Sergeyvich, I have no complaints about you as either a minister or a person. But I tell you that I will continue to write the way I always have done. That's the way it has to be."

[IZVESTIYA] As the stories of the journalist's death get told people are now not even talking about criminal high-ups, who are dissociating themselves from the killing, but are asserting that it was the handiwork of military experts....

[Grachev] If my spetsnaz troops operated so crudely I would fire them. It was the work of a complete nonprofessional.

[IZVESTIYA] What does professionalism mean?

[Grachev] A professional kills noiselessly. Nobody would even guess the cause of a person's sudden quiet death. But here we have a high-profile killing. Furthermore, there was obviously also an intention not only to kill Dima but also to take out a few other people so as to cause a great tragedy. Dima was evidently intended to take this case back to the editorial office and call out: "Hey guys, come and look at what I got." Ten or 15 people would rush in and there would be a big blast. That was the intention.

[IZVESTIYA] According to one story, a possible reason for the killing could have been Kholodov's visit to a GRU [Main Intelligence Directorate] spetsnaz brigade where they allegedly train either killers or heavies to eliminate criminal high-ups against whom the law and the militia are powerless. Dima decided to write about this and was not forgiven....

[Grachev] That brigade is like any other brigade.... It conducts all kinds of exercises and it trains professionals—spetsnaz soldiers, not assassins.

[IZVESTIYA] Fine, you have fine GRU professionals renowned for their expertise, plus analysis services.... Surely they can work out whose interests were served by the killing of the journalist?

[Grachev] Indeed they can. And they are already working it out. I already have a few names.... A great deal will soon become clear, I think.

[IZVESTIYA] Could you give even one of these names at this time?

[Grachev] No. I don't have the right. Other people are conducting the investigation. I can only say that people ambitious for power are in evidence; the mafia, you might say. They very much need to get Grachev himself removed. They failed to remove him with criticism, so they used Dima. Now this won't work either, physical removal is all that's left. So they can then get to the president and influence him.

[IZVESTIYA] So the Ministry of Defense and you personally have just about the greatest interest in a most expeditious investigation. Yet in practice your people are absent from the investigating group. Should we understand from this that your intelligence and counterintelligence are independently inquiring into this case?

[Grachev] Of course. They are working on it. The GRU is working on it.

[IZVESTIYA] And while they work you—judging by recent articles—are continuing to engage in commercial activity. I am referring to the "Aviakon info" closed-type joint-stock company, of which you became a co-founder two years ago....

[Grachev] What "Aviakon"? I'd long since forgotten about it. Commercial activity was burgeoning at the time, I was chairman of the State Committee for Defense Questions, and I had to be a co-founder by virtue of my position. State employees were subsequently banned from such involvement and I left "Aviakon."

[IZVESTIYA] But did you manage to make money? Do you have a credit card?

[Grachev] What?!

[IZVESTIYA] A foreign currency account?

[Grachev] What?!

[IZVESTIYA] A ruble account with a commercial bank...?

[Grachev] What kind of ruble account? If anyone can find an account of mine in any bank or savings bank I promise him 80 percent of the total sum. And I'll take 20 percent for myself.

[IZVESTIYA] Have you tried yourself to answer the question of why there has suddenly been such a furor about you?

[Grachev] There are forces who would benefit from my being separated from the president. They wish to weaken the president's influence on the army.

[IZVESTIYA] Don't you think that to some extent this campaign suits the president? By initially giving the impression of defending you and then sending you into retirement (as has previously happened to other people) he would be shifting onto you, as it were, his own blame for the tragedy of last October.

[Grachev] No. If this campaign was beneficial to the president he would have kept quiet. But he has twice expressed his view, bringing down on himself the fire of the anti-army lobby [antiarmeytsy], those who wish to smash the army, dump the president, sow chaos in the country, and provoke civil war.

[IZVESTIYA] In what case would you submit your resignation?

[Grachev] When I felt the president's lack of trust.

Paper Cites Grachev on Duma Hearings, Far East Tour

MM2510102594 Moscow KRASNAYA ZVEZDA in Russian 25 Oct 94 p 1

[Report by Aleksandr Pelts: "Russian Federation Defense Minister on Working Tour of Far East"]

[FBIS Translated Text] Army General Pavel Grachev, Russian Federation minister of defense, met with journalists 23 October, on the eve of his visit. He emphasized the planned nature of this trip, pointing out that certain mass media sources have already carried idle fabrications alleging "his flight from Moscow" in connection with events associated with the death of MOSKOVSKIY KOMSOMOLETS correspondent Dmitriy Kholodov. "I do not change my plans," the defense minister said, "particularly when it is a question of an earthquake-hit region."

Nevertheless, when answering a question about his possible hearing in the State Duma (the deputies have already adopted this decision), Army General Grachev pointed out that he will be satisfied with the opportunity to tell the deputies in greater detail about the state of affairs in the Army and about the causes on which the troops' morale depends. "Maybe I will be able to open some people's eyes to the difficulties and problems which servicemen encounter in their everyday service," the defense minister emphasized. In his conviction, the resolution of these problems depends on many things but, above all, on regular and efficient funding of the troops, on a realistic and comprehensively considered military budget, and on full manning of Russian Army units and subunits. Despite the serious shortcomings, which, incidentally, do not directly depend on the Army itself, the defense minister rated the troops' morale as quite high. This can be judged, he emphasized, from the actions of Russian servicemen in numerous "hot spots," from the fulfillment of the peacekeeping mission in Yugoslavia, and from the exercises and checks which have been conducted in many military districts and in the Northern Fleet.

Army General Pavel Grachev, Russian Federation minister of defense, was welcomed at Yuzhno-Sakhalinsk Airport by Colonel General Viktor Chechevatov, commander of the Far East Military District; Admiral Igor Khmelnov, commander of the Pacific Fleet; representatives of the island oblast administration, and the mayor of Yuzhno-Sakhalinsk.

The defense minister visited the motorized rifle division commanded by Major General Sergey Antonenko. Pavel Grachev spoke about the progress of the reforms in the Russian Armed Forces and about the reorganization of the Far Eastern grouping of troops. At the same time he emphasized that the grouping must on no account be weakened, although a large number of very acute socioeconomic problems are having a negative impact on the service and everyday routine of this region's servicemen. Army General Pavel Grachev named the specific reasons for this, noting primarily the serious shortcomings in funding the Army and the entire defense complex as a whole. At the same time he emphasized that Far Eastern servicemen and Pacific Fleet seamen are faced with complex and crucial tasks of further improving combat training, preparing for winter, and safeguarding hardware.

After meeting with the division's personnel, Army General Pavel Grachev pointed out: "I am very satisfied with the talks I have had, and I have seen for myself that the servicemen of Yuzhno-Sakhalinsk Garrison understand the state's problems and make a correct assessment of its potential. Of course, conditions here are hard, but people are full of optimism and serve and work with maximum effort. I will certainly report this during the upcoming hearings in the State Duma. Let the deputies see for themselves that it is necessary to seek additional funds which must be targeted at resolving the problems of servicemen of the Far East region. I have also drawn certain conclusions for myself."

Army General Pavel Grachev discussed numerous problems connected with life and service in the garrison with the deputy head of Sakhalin Oblast Administration. Army General Pavel Grachev, Russian minister of defense, is continuing his tour of the Far East region. He intends to devote maximum attention to the problems of the Far East District and the Pacific Fleet and to visit the islands of Iturup, Shikotan, and Kunashir, worst hit by the earthquake. The only possible obstacle is an extraordinary hearing in parliament. Pavel Grachev hopes, however, that parliamentarians will understand his concern and that the plans for the working tour will be completed in full. He also plans to visit Kamchatka, to visit garrisons of the Far East Military District, and to familiarize himself with the service of troops in the Transbaykal region.

Armed Forces To Be Reduced to 1.7 Million

LD2510125194 Moscow INTERFAX in English 1142 GMT 25 Oct 94

[FBIS Transcribed Text] Russian Defense Minister Pavel Grachev says the numerical strength of the country's armed forces will run at 1.914 million by January 1, 1995.

In an interview with INTERFAX on Tuesday, the minister said the figure will be reduced to 1.7 million by the end of next year as laid down in a decree signed by President and Commander-in-Chief of the Armed Forces Boris Yeltsin on Monday. Grachev gave assurances that the president's decision would be carried out.

The minister denied a report by the German newspaper BILD AM SONTAG putting the Russian army's current strength at 4.8 million troops. "One should trust the defense minister, not such reports," he said.

Grachev who is on an inspection tour of army units of the Far Eastern Military District arrived in Khabarovsk on Tuesday to meet the local army contingent and civilian administration there. He flies out to Petropavlovsk-Kamchatsky on Wednesday.

Findings of Poll of Military Elite Detailed

MM2410162594 Moscow IZVESTIYA in Russian 22 Oct 94 p 2

[Report by Konstantin Eggert: "Army Advocates Strong Authority, But No Threat of Military Dictatorship in Country, Russian and German Experts Believe"]

[FBIS Translated Text] "Military Elites in Russia"—that was the title of the first collective portrait, as it were, of our country's military elite. It was presented to the general public by the Friedrich Ebert Foundation (FRG)—one of Europe's leading research centers.

The survey, carried out by the foundation's subsidiary organization "Sinus/Moskva" with the participation of Russian sociologists, polled 615 officers from the rank of lieutenant colonel up to colonel general. They are serving in Moscow, St. Petersburg, the Volga Region, the Urals, the North Caucasus, Siberia, and Kaliningrad, as well as the North, including the Northern Fleet.

Needless to say, the 55-page survey does not reflect the complete spectrum of sentiment prevailing in the Russian Armed Forces. Younger officers and some middle-ranking officers were not polled. "When talking about the elite, we meant the people making the decisions, not those occupying a position attracting material and monetary privileges," Peter Shultz, head of the Ebert Foundation's Moscow branch, stated. The report's authors admitted that more than a third of those polled were former and current political workers, who are often more conservative than other officers.

Unlike other elites (the administrative or financial and economic elite) men in uniform are still finding it hard to find their feet in the new life. Chaos reigns among them—hope of the emergence of a "firm hand" is whimsically combined with a conviction of the need to develop democracy; admiration for Generals Gromov and Lebed is combined with the view that a military dictatorship is impossible; recognition that the collapse of the USSR was a misfortune is combined with the certainty that it was not worth using force to halt that process.

Twenty-eight percent of officers wholly and 34 percent partly agreed with the statement "we will be unable to emerge from chaos without an authoritarian regime." The generals rate the inevitability of a slide into any kind of dictatorship at up to 50 percent. It is interesting that, at the same time, a military coup is considered likely by just 21 percent of those polled, while only 10 percent are firmly convinced one will happen. According to the survey, generals are most skeptical about the possibility of a putsch.

Incidentally, talking about Army intervention in politics, more than 50 percent of respondents considered the use of troops to combat separatism in autonomous areas to be absolutely impossible (only around 20 percent of them approved of it).

There is no doubt that a most important element in the survey was the identification of the officers' attitudes toward politicians and public figures. To the question "Do you agree with the way Boris Yeltsin is coping with his duties?" 59 percent of respondents said "no," and just 17 percent said "yes." More than 50 percent had no confidence in Defense Minister Pavel Grachev. Two generals—14th Army Commander Aleksandr Lebed and Deputy Defense Minister Boris Gromov—enjoy unequivocal support (more than 50 percent). Unexpectedly third on the list was Grigoriy Yavlinskiy—44 percent of those polled trust him. Slightly over 40 percent of the officers are now prepared to vote for "Yabloko." "This trend can currently be seen among different sections of the population," a "Sinus/Moskva" staffer noted. "Many politically unsophisticated voters consider Grigoriy Alekseyevich to be a good man, as opposed to the tough Gaydar."

There is disapproval of Gennadiy Zyuganov (although the attitude toward the Communist Party as a whole is better) and particularly of Vladimir Zhirinovskiy. The most negative assessment still goes to Mikhail Gorbachev—at 79 percent. The assessments of Makashov and Achalov are sharply negative.

One of the positive conclusions of the "Military Elites in Russia" poll is that there is a steady group (of around 20 percent) among senior and higher officers who are unambiguously geared to democratic values and market transformations—"Western-style liberals," if you like. Given the relative "youth" of reform in Russia, that is not such a bad result.

Yeltsin Issues Edict on Use of Baykonur Cosmodrome

LD2410172394 Moscow ITAR-TASS World Service in Russian 1607 GMT 24 Oct 94

[FBIS Translated Text] Moscow, 24 Oct (ITAR-TASS)—Russian President Yeltsin today issued an edict on organizing the use of the "Baykonur" cosmodrome in the interests of Russia's space activities.

The decree was issued in connection with the agreement being concluded between Russia and Kazakhstan on the basic principles and conditions for the use of the "Baykonur" cosmodrome, and it is aimed at enabling the complex to be used effectively to carry out the Russian space programs.

The Russian president instructed the country's government to organize the handover of the "Baykonur" complex from the Kazakhstan Government and to oversee its functioning. The Russian Defense Ministry (the military-space forces) are responsible for general coordination at the cosmodrome, the report released by the Russian president's press office states.

The document states that the Russian Defense Ministry and the Russian Space Agency will jointly make financial and material and technical provision for facilities at "Baykonur" and their use.

The Russian president also instructed the country's government to set out in the federal budget amounts allocated:

—for payment of the lease on the "Baykonur" cosmodrome and to support the town of Leninsk;

—for the Russian Space Agency and the Defense Ministry to meet expenses incurred in maintaining, using, repairing, reconstructing or technically re-equipping facilities within the complex and in constructing housing for "Baykonur" employees.

Space Program 'Cannot Do Without' Baykonur

MM2510124594 Moscow KRASNAYA ZVEZDA in Russian 22 Oct 94 p 4

[Interview with Major General Vyacheslav Bezborodov, chief of an operations directorate and deputy chief of staff of the Military Space Forces, by Valeriy Baberdin; date, place not given: "Does Russia Need Baykonur?"]

[FBIS Translated Text] The first half of October was marked by some important events for Russian space exploration, among which the Federal Assembly Federation Council's examination of documents pertaining to Baykonur occupied a special place. Even earlier, 1 October, Viktor Chernomyrdin signed a Russian Government decree "On Measures To Ensure the Social Protection of Russian Federation Armed Forces Servicemen and Civilian Personnel on Military Service or Working at the Baykonur Spaceport in the City of Leninsk, and Their Families."

At the same time, as the editorial office learned, draft Russian presidential edicts have been prepared on all three spaceports—Baykonur, Plesetsk, and Svobodnyy. We asked Major General Vyacheslav Bezborodov, chief of an operations directorate and deputy chief of staff of the Military Space Forces, to comment on these events.

[Baberdin] The problem of Baykonur's status has been under discussion for several years now. How do things stand today? Are the Russian and Kazakhstani sides and, most importantly, the personnel of the Military Space Forces and the combat crews who send the spacecraft into space satisfied with it?

[Bezborodov] We have "fought" for Baykonur since the sovereignty of the Republic of Kazakhstan was declared. Four interstate agreements on the spaceport have already been produced. The most important of them was signed 28 March this year by the presidents of Russia and Kazakhstan. It formulated the key provisions that determine the life and activity of the spaceport and the city of Leninsk. First it was stipulated that they are serviced by Russian troops. Second, the Russian Government is to lease both the spaceport and the city of Leninsk for a 20-year period. That is, the whole Baykonur complex will come under Russian jurisdiction and people here will live by its laws. Naturally, while respecting the laws of the Republic of Kazakhstan. It is intended to appoint the head of the Leninsk City Administration, on submission from Russia, by a decision of the two presidents. These proposals have been drafted and will be dispatched to the Kazakhstani Government in the near future.

On the basis of this agreement experts have elaborated and initialed a draft contract for the leasing of the spaceport and the city of Leninsk. It will be concluded between the governments of the two states—Kazakhstan (the lessor) and Russia (the lessee). As a whole this document reflects the interests of the Russian Federation and is not injurious to Kazakhstan's interests.

The Federation Council began three days of hearings 5 October on the federal law "On the Ratification of the Agreement Between the Russian Federation and the Republic of Kazakhstan on the Fundamental Principles and Terms for the Use of the Baykonur Spaceport." This document was previously ratified by the State Duma. These were difficult days. A great deal had to be explained and spelled out to deputies. But the results of the ballot speak for themselves—over 95 percent of deputies advocated ratifying the agreement. I think it necessary to express my gratitude to the Committees for Defense and Security and also for CIS Affairs for their understanding of the spaceport's problems and their active support. The main task now is to sign the lease contract as soon as possible. Without this the Baykonur situation cannot be stabilized in the long term.

[Baberdin] But isn't the size of the lease worrying—$115 million a year?

[Bezborodov] Let us start by saying that the Russian side has already accepted this amount. It has been backed up with the relevant calculations and validation. The question is this: Does Russia need Baykonur? In other words, are the space tasks that we are now performing using the launchers stationed in Kazakhstan essential? These tasks include early warning, communications, television, monitoring compliance with the terms of conventional and nuclear arms limitation treaties, navigation, long-distance probing of the Earth, and manned space exploration. There is no alternative—we cannot do without Baykonur at the moment. Plesetsk cannot fully meet our needs since only Baykonur has the "Proton" launchers—heavy-lift launchers that put satellites into geostationary orbit.

Suppose we stopped leasing Baykonur and asked other countries to launch the relevant satellites. First, to whom would we turn? Second, what would be the price tag? Today the world market cost of launching one Proton-class rocket ranges from $60 million to $80 million. If we are to retain the same level of task performance as now, the minimum number of launches must be 10-12 a year. That means almost $1 billion a year. What is more, Russia is now contracted with other states to put their satellites into space using "Proton"—contracts worth around $2 billion through the year 2000. Draw your own comparisons: Is $115 million a lot or a little?

Russia must retain its status as a great space power and have an opportunity to implement a space policy independent of other states. Especially on questions of defense and security. However, it takes time and of course appropriations to perform this strategically important task. The Russian Federation Defense Ministry has prepared a forward-looking plan for the development of the ground space infrastructure, coordinated as far as basic positions are concerned with the Republic of Kazakhstan.

In particular, a full-fledged Russian spaceport must be set up in the North. That is, first, Plesetsk must be officially given the status of a Military Space Forces' spaceport. Second, in order to transfer some of the tasks performed at Baykonur to Plesetsk the latter's potential for preparing and launching medium-lift launchers (like "Soyuz" and "Zenit") must be increased and a launch complex built for heavy-lift launchers like "Angara." The latter is a fundamentally new, environmentally clean launcher which will be developed at the M.V. Khrunichev State Space Science-and-Production Center.

[Baberdin] At one time the question of building a spaceport in the Far East was vigorously discussed. Can there be any question of that now, given the current financial instability and the crisis encompassing our entire economy, including the space industry?

[Bezborodov] If we want to preserve Russia's status as a great space power, we cannot allow ourselves to live just for today. The country must have two or three spaceports. There are three in the United States, for instance; China has the same number, and Japan has two. That is the first consideration. And there are others too. The only Russian spaceport, Plesetsk (the world's most northerly spaceport), is located at a latitude of 62.5 degrees. As you know, the closer to the Equator that a booster rocket is launched, the more effective it is. The same rocket launched from Baykonur can put a 25-percent greater payload into orbit than from Plesetsk. The spaceport that we plan to build in the Far East near Blagoveshchensk—Svobodnyy—will be on roughly the same latitude as Baykonur—51.5 degrees (Baykonur is on 45.6 degrees).

I must say that we were very careful in our choice of site for the new spaceport. Options were also considered in Sovetskaya Gavan, on the shores of the Pacific, and near the Amur in Svobodnyy. We settled on the latter. There is just nowhere else on Russian territory that a spaceport could be built to perform tasks akin to Baykonur. The missile division in Svobodnyy was disbanded under the SALT II agreement, and it was a question either of letting this reserve simply disappear (it was estimated at around 180 billion rubles at early-1991 prices) or of our using it for space purposes. An authoritative commission set to work, comprising specialists not only from the Military Space Forces but also from civil industry, design institutes, and the Russian Space Agency. A document was drawn up and a feasibility study produced.

There are plans to site a launch complex here for the aforementioned "Angara" heavy-lift launcher. However, before that it is necessary to carry out the design work on both the spaceport and the "Angara" rocket itself. Another indispensable condition is an inspection of the design materials, including an environmental inspection.

The intention is to use launch silos inherited from the missile division as one of the first steps in setting up the new spaceport. They will enable light satellites to be put into near-earth orbit using the "Rokot" launchers that have already been tested at Baykonur. The first launches are scheduled for 1996-1997.

Nor must we forget that the creation of the Svobodnyy spaceport could be of geopolitical significance for Russia's entire Far East region. After all, construction and production capacities that are currently not being used to full capacity will be involved, employment will increase, the development of new technologies will receive a powerful boost, and economic ties with neighboring states will develop on a sounder basis. I am firmly convinced that Russia needs the Svobodnyy spaceport, and I think it will be built.

Russia certainly does need the Baykonur complex today, and the question of leasing it must be resolved most speedily because people and Russian space exploration are suffering as a result [of the delay]. However, I think it necessary to stress once again that our strategy must be geared to the comprehensive development of a space infrastructure on Russian territory; this is particularly important in order to perform the tasks of providing Russia itself as well as friendly states with defense and security.

Space Launch Facilities Profiled

MM2410133394 Moscow Russian Television Network in Russian 1500 GMT 19 Oct 94

[From the "M-Trust" program; report over video on Russian Military Space Forces]

[FBIS Translated Excerpt] [passage omitted] [Unidentified correspondent over video of new Plesetsk launch pads] Despite the current difficult times, Plesetsk continues to develop. Two new launch pads are being built for the promising "Zenit" launchers. Everything that has been built reliably protects the country's space program against political complications which might arise in mutual relations with other countries.

[Correspondent over video of Svobodnyy Cosmodrome logo and facilities] Concern for Russia's interests has resulted in the decision to create a new cosmodrome in the Far East, the Svobodnyy Cosmodrome. Its location at the site of a former strategic missile force base with a developed infrastructure will make it possible to create the potential for launching light, medium, and even heavyweight space carrier vehicles within a short time and without much additional expenditure. The first launches are planned as early as 1996.

[V.P. Polevanov, head of Amur Oblast Administration, identified by caption] This, if you will pardon the expression, is a "great leap forward" for the entire Far East region." The construction of a large-scale project such as the cosmodrome at Svobodnyy-18 means above all that world-class technologies will be imported into Amur Oblast.

[Correspondent over video of Soviet and Chinese civilian and military officials seated at a table. Soviet officials include Koptev, head of the Russian Space Agency] It cannot be ruled out that Svobodnyy will also help us to get closer together with China in space exploration. After all, China is located right next to the cosmodrome.

[Correspondent over video of Baykonur Cosmodrome logo and facilities] Naturally, we are not forgetting the country's oldest cosmodrome, Baykonur, which is in the charge of Russia's Military Space Forces. At the moment Baykonur is the key component in the implementation of the country's manned space program.

At times it is very difficult to distinguish between scientific and military satellites. Take GLONASS, for example, the global navigational satellite system, developed on Ministry of Defense orders, whose deployment began in 1982. This system enables both, the defense department and any civilian user to effect high-precision navigation. Civilian users now include even international organizations.

For the time being, heavy launchers such as Proton or Energiya can only be launched from Baykonur. There is a total of nine launch complexes at Baykonur with 14 launch pads and vast technical facilities. Baykonur is the planet's biggest spaceport. This is not really surprising. For 40 years the whole country poured colossal efforts and resources in here.

[Correspondent over video of "Military Space Forces Commander's Directorate" logo] Maintaining three cosmodromes in operation, ensuring their development, and supplying launches in timely and regular fashion with all requisities constitute a huge and highly complex task to be carried out by Military Space Forces officers and men, irrespective of climatic and weather conditions, efficiently and on time in both the north and the south.

[Correspondent over video of "Military Space Forces Backup Units" logo, exterior and interior of hangars, satellites being assembled] However, the Military Space Forces are more than just the cosmodromes. Some people may be surprised to learn that there is also such a concept as the arsenal. True, sometimes launchers are brought to the launch pads directly from the factories. But can we really allow the military structure to be dependent on the weather or production problems? How, in such circumstances, can we keep our powder dry? Soldiers are not used to living that way. Indeed, they do not live that way. This is why our space launches always take place on schedule. The requisite number of launchers for military and civilian satellites is always in the arsenal. The report on the Military Space Forces will be continued in the next edition of this program.

Federal Assembly

Ilyushenko Rejected as Prosecutor General

LD2410172194 Moscow ITAR-TASS World Service in Russian 1644 GMT 24 Oct 94

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Translated Text] Moscow, 24 Oct—Aleksey Ilyushenko did not gain enough votes at today's Federation Council sitting to become Russian Federation prosecutor general. ITAR-TASS learned from unofficial sources that only 76 deputies voted for him. This means that the candidate was 13 votes short of the required majority.

The official voting results will be announced at tomorrow's Duma session.

Of the six candidates for membership of the Constitutional Court proposed by the president, only Vladimir Tumanov, Olga Khokhryakova, and Vladimir Yaroslavtsev won the required number of votes.

Council Elects Dolgolaptev 3d Deputy Chairman

LD2410191094 Moscow ITAR-TASS World Service in Russian 1723 GMT 24 Oct 94

[By ITAR-TASS correspondent Lyudmila Yermakova]

[FBIS Translated Text] Moscow, 24 Oct—Anatoliy Dolgolaptev, a Federation Council deputy, who is a deputy head of the Moscow Oblast Administration, was today elected by secret ballot the third deputy chairman of the upper chamber of the Federal Assembly, an ITAR-TASS correspondent learned from unofficial sources.

Anatoliy Dolgolaptev was nominated for this post by Vladimir Shumeyko, head of the Federation Council.

The official results of the vote will be announced at the morning session on 25 October.

Federation Council Approves 8 Supreme Court Judges

LD2410181894 Moscow ITAR-TASS in English 1624 GMT 24 Oct 94

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow October 24 TASS—The Russian Federation Council, the upper house of parliament, approved on Monday the nomination of eight judges for the Russian Supreme Court.

The judges were nominated by President Boris Yeltsin in accordance with the Russian Constitution. The Council has already approved 42 judges of the 115-member Supreme Court.

New Court Members Elected

LD2510093594 Moscow ITAR-TASS in English 0901 GMT 25 Oct 94

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow October 25 TASS—Vladimir Yaroslavtsev, Vladimir Tumanov and Olga Khokhryakova became new members of the Russian Constitutional Court. They earned the required number of votes during a secret ballot in the Federation Council on Monday. Six candidates suggested by the Russian president to the posts of judges of the Russian Constitutional Court ran in the election, the ballot-counting commission officially announced at a meeting of the Federation Council on Tuesday.

Under the regulation of the Federation Council, the candidates who earned not less than the required number of votes, 90, were appointed judges. The biggest number of votes was earned by member of the Leningrad City Court Vladimir Yaroslavtsev. He earned 99 votes. There were 47 votes against. Deputy of the State Duma Vladimir Tumanov earned 92 votes, with 56 votes against. Staffer of the Institute of Legislation and Comparative Jurisprudence Olga Khokhryakova earned 90 votes. There were 58 votes against. First Deputy Speaker of the State Duma Mikhail Mityukov, aide to presidential assistant Mikhail Krasnov, and chief of a sector of the Institute of State and Law Vladimir Savitskiy earned less than the required minimum of votes.

Duma's Fedulova Comments on Civic Accord Treaty

LD2510104094 Moscow ITAR-TASS in English 0832 GMT 25 Oct 94

[By ITAR-TASS correspondent Tamara Ivanova]

[FBIS Transcribed Text] Moscow October 25 TASS—Attempts to exploit membership in the Social Concord Treaty for pressuring Russian public opinion and the authorities "are unworthy of serious politicians", ITAR-TASS was told by vice-speaker of the State Duma Alevtina Fedulova. She said that the number of participants in the treaty had already exceeded 1,000, while individual withdrawal declarations voiced by some organisations were nothing but high- sounding words.

In Fedulova's opinion, the growing number of signatories proves that the Russian society is growing increasingly aware of the need for conciliation procedures and of their effectiveness. She compared this process with a "long-term referendum on social concord". "The steadily increasing number of regions and new structures joining this process clearly shows that it is difficult to find a more realistic and effective way to normalise the situation in Russia," Fedulova noted.

She is far from believing that a signature under this document can resolve all the existing problems. But the very existence of such a form of unity between various governing structures, different groups of the population and social bodies constitutes a genuine "social stratum" capable of expressing rather broad interests. Moreover, this "stratum" is represented not by individuals, as it is the case with the State Duma, but by whole structures, expressing professional interests or representing entire social sections of the population.

The Duma vice-speaker noted that the members of the treaty were faced with quite a few very acute problems and that it was by no means easy to find solutions to them. They include the restitution of the population's devaluated bank deposits, defaulted payments, and delayed wages. These problems are painful for many millions of Russians. Fedulova believes that they cannot be resolved by single individuals. They call for the joint efforts of the legislative and executive authorities, and for the attention of the country's public opinion. The conciliatory procedures "genre" is most suitable for resolving these problems. And this is one of the most important purposes of the treaty.

Commentary on Parliamentary Tax Debates

LD2410132594 Moscow ITAR-TASS in English 1312 GMT 24 Oct 94

[By ITAR-TASS observer Mikhail Krushinsky]

[FBIS Transcribed Text] Moscow October 24 TASS—Financial problems, specifically, taxation will dominate debates this week the State Duma begins discussing the draft law "on changes in the law of the Russian Federation on the basic principles of the tax system in Russia". It was drafted by the Finance Ministry. Meanwhile the Federation Council will begin debating its own, alternative document, which in case of being endorsed by the senate will also be submitted for the discussion of the Duma. A draft law on taxation is also being prepared in the lower house of parliament.

The existing tax system has long been under the fire of criticism for its marked "fiscal character". According to some estimates, a subject of the Russian market is to surrender to the treasury up to 95 per cent of profits. The general opinion is that there are too many taxes, that they are very large and unclear, their limits are washed out, of which local officials often take advantage and introduce additional local collections under some or other pretext.

As a result only 40 to 65 per cent of the planned amount of money collected as taxes goes to the treasury, according to various estimates. Tax evasion is widespread and the introduction of the Institute of Tax Police so far has done little toward establishing the order desired by the Finance Ministry. Thousands of billions of roubles are carried in briefcases all over the country creating a medium for criminal structures. Money that is urgently needed for the budget lines the pockets of mafiosi or finds its way into coffers of dishonest officials.

Will the draft law that was referred to the parliament by the executive authorities alter the situation? Observers who had an opportunity to familiarise themselves with the document say that the system proposed by the Finance Ministry differs little from the existing one. It is based on the principle of getting as much as possible in taxes. It undermines the foundation of production, stifles business activity and, in the long run, leads to the paralysis of the economy. Such is, specifically, the opinion of Aleksandr Titkin, deputy chairman of the committtee of the Federation Council.

Prominent entrepreneur Mark Masarskiy, member of the public chamber at the Russian president, believes that the situation will only worsen if the draft law is adopted. A certain shifting of "fiscal accents" from legal to natural persons will lead to a still higher tension in society. The striving to increase taxation even in areas which had tax benefits so far (housing construction, research) will block pespectives to the economy.

The ideas of a radical change of the principles of taxation that were expressed at various times will apparently draw attention again during the polemic this week. For instance, there was a proposal to impose tax on resources rather than on incomes (the idea of Professor Valdimir Panskov), to collect taxes in the form of a stipulated fixed sum (Professor Valeriy Rutgaizer) so that the remaining funds be at the disposal of a taxpayer and be used for investment.

The debate at every level is expected to proceed at a high pace. There were proposals to endorse the new system before the end of this year. The question of linking the tax system to the 1995 draft state budget now being discussed will make the parliamentary debates still more acute.

Regional Affairs

Grachev Arrives in Sakhalin To Visit Troops

LD2410154494 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] [Defense Minister] Pavel Grachev has stated that the defense budget of 44 trillion rubles, proposed by the finance and economics ministries, was absolutely insufficient for the Russian armed forces.

Grachev arrived in Yuzhno-Sakhalinsk on Monday, where he met with the personnel of the 33rd Motorized Infantry Division located in Sakhalin. He told the officers that their salaries would be considerably increased in November.

In the Far East Grachev is to visit the Kuril Islands affected by the recent earthquake and give the necessary aid to the units located in the disaster area.

Duma Deputies Picket U.S. Embassy

954K0176A St Petersburg NEVSKOYE VREMYA in Russian 21 Oct 94 p 1

[Report by V.R. "Behind the Iron Curtain—in the United States?"]

[FBIS Translated Text] Dissident actions at the U.S. Embassy in Moscow have once again become news. Yesterday the embassy was picketed by former political prisoners Sergey Kovalev and Mikhail Molostvov, deputies of the State Duma. True, as distinct from in the stagnation years, they did not have to be defended against the Soviet authorities. "Is the United States a closed zone?" the posters carried by the pickets inquired.

Kovalev and Molostvov had been angered by the refusal to issue the son of General Grigorenko an entry visa. His mother, who was banished from the USSR together with her husband, is now dying, but American officials are denying the son the elementary right to say goodbye to her—there is no guarantee, they say, that he will return. Sergey Kovalev (chairman of the Commission for Human Rights under the president of the Russian Federation!) appealed to the embassy, but heard in response something like: We do not have the time to chatter with you. After which the idea of resorting to picketing arose.

It has not, it is true, made any impression on the embassy staff. "Officials of different countries are very much alike," Molostvov summed up. "Diplomats who come here from the United States do not have the least idea of the traditions of our country and treat Russians, it seems, as aborigines whose only dream is to fly to America."

There are coming to be more and more "refuseniks" who are not managing to obtain visitor visas. An iron curtain once again? As for the son of the disgraced general, he will, by all accounts, be able to say goodbye to his mother after all—as we have learned, Sergey Kovalev's appeal met with a response right at the top, and an aide to President Clinton sent a fax to the Moscow embassy recommending that a visa be issued.

Baltic Fleet Commander on Kaliningrad Troops

WS2410122794 Kaliningrad STRAZH BALTIKI in Russian 27 Sep 94 p 1

[Report by A. Lobskiy: "The Baltic Fleet Threatens Nobody"]

[FBIS Translated Text] **As STRAZH BALTIKI has already reported, Admiral Vladimir Yegorov, commander of the Baltic Fleet, officially still on leave, met with a delegation of the Association of Denmark's International Policy, which included scientists, journalists, political and social activists, and entrepreneurs.**

Answering a question about the current problems of the Baltic Fleet, Admiral Yegorov noted that the most complex problem—the withdrawal of Baltic Fleet forces from the Baltic republics, Germany, and Poland—has already been resolved. "We have pulled out without a single shot, under circumstances when any incident could be followed by almost unpredictable consequences," Yegorov said.

He noted that—notwithstanding the circumstances that problems connected with the equipment of the removed troops will be resolved during several upcoming years, and that there are reforms and reductions implemented on warships and in units—the Baltic Fleet maintains its combat capability on a level safeguarding the security of the western sea frontiers.

According to him, over the last ten years, the Baltic Fleet was reduced by 50 percent in personnel and by two-thirds in naval vessels. The naval air forces of the Baltic Fleet, due to the disbandment of two divisions, were reduced by 60 percent.

Answering the question about his assessment of the discussion on the role of Kaliningrad Oblast, in which Sergey Shakhray proposed to create a powerful military grouping in the oblast while giving a second-rate priority to the resolution of economic problems, the admiral said that Kaliningrad Oblast is actually Russia's outpost, and various opinions as well as shades of opinions voiced by politicians pursue only one goal—to secure the integrity and sovereignty of the Russian state. At the same time, the commander emphasized that the numbers of the military grouping [in Kaliningrad Oblast] cited by the Western press—300,000, 200,000, or 100,000 troops—are farfetched and absolutely unreal. The grouping of troops in Kaliningrad Oblast fully corresponds to the needs of Russia's military doctrine and threatens no one.

Touching on the problems of military transit through the Baltic states, the commander of the Baltic Fleet underscored that, beginning 1 January 1995, there are plans to put in operation a ferry line between Baltiysk and St. Petersburg, which will decrease expenses for transit by a factor of three. At the same time, touching on relations with Lithuania in the resolution of this problem, he voiced assurance that "sensible people will behave in a sensible way and lift farfetched restrictions."

V. Yegorov stated that the question of opening the Baltiysk port to international navigation was studied by the Baltic Fleet command and the Kaliningrad Oblast leadership, and relevant proposals have been submitted to Moscow. They are now being studied by Russia's Government. The admiral assured participants at the meeting that the question will be resolved positively, since it conforms with the general concept for developing Kaliningrad Oblast. Responding to the question about the opening of the Vistula Bay for international navigation, he emphasized that the greatest hesitation regarding the resolution of this problem has been seen on the part of ichthyologists who fear that the fish spawning grounds will suffer as a consequence. From the point of view of the Navy, he said, appropriate work should be done for legalizing [oformit] international lines, because they have so far not been legalized.

While commenting on the results of the congress of opposition forces, which concluded its work in Kaliningrad last week, the commander, having underscored that this is his personal opinion, voiced his assurance that presidential elections will be held in 1996. In the commander's opinion, preparation for these elections should be made differently than according to the opposition which impedes the resolution of acute problems by the current government; it should be done by working out good programs and presenting their merits to the people.

Participants in the meeting, having thanked the commander for the meeting and for his forthright responses, voiced assurance that a deeper, mutual knowledge of our nations and the strengthening of contacts on all levels will enhance stability in Europe, friendship, and mutual understanding between states.

Apathy Threatens Voting in Petersburg

MM2410172394 Moscow ROSSIYSKIYE VESTI in Russian 22 Oct 94 p 2

[Report by Yuriy Kukanov under "Elections" rubric: "Will Each Voter Vote From Home?"]

[FBIS Translated Text] St. Petersburg—The population of the Northern Palmyra, which had the reputation at the end of the 80's and beginning of the 90's as one of the country's most politicized cities, is today demonstrating a catastrophically low level of civic involvement in the by-elections to the city assembly set for 30 October. "Interest in the forthcoming elections is so weak that even if the ballot boxes were delivered directly to the voters' homes, this could not seriously influence their view," believes Sergey Isayev, a staffer at the St. Petersburg Sociological Scientific Research Center, on the basis of his analysis of the results of a recent representative telephone poll of the adult population.

The federal authorities have been expressing serious concern over the fate of the representative branch of power which has in essence been absent from the city on the Neva for a whole year now. Central Electoral Commission Chairman Nikolay Ryabov, who has been on a two-week tour of inspection to the banks of the Neva, stated that President Yeltsin has regularly expressed his deep regret about the absence of a representative branch of power in a city which in many respects determines the Russian state's complexion.

The Central Electoral Commission chairman regards the absence of precise legal norms and the fact that several electoral commissions are working irregularly and violating the current statute on elections as the reason for the failure of the spring elections to the city assembly. He is also worried by the court cases protesting the results of the voting in 25 of 39 electoral districts which are at present under examination at the Supreme Court. There has been no verdict in these cases so far.

However, in Nikolay Ryabov's opinion, the fall elections' results will be determined not so much by the resolution of formal problems as by the voters' involvement. This involvement is not being stimulated by the candidates for deputy themselves, who are unwilling to make direct contact with the people and prefer to be glimpsed only for several minutes on our television screens. Everything will be in order as regards financing the fall elections; an additional 400 million rubles [R] are being added to the R1.236 billion already transferred to the city on the Neva. It has been reaffirmed that the statute on elections will not be changed during the campaign, although the leaders of several electoral associations proposed that the ill-starred 25-percent turnout barrier be disregarded, which would automatically allow the city assembly to be formed even with lowest voter participation.

At the same time, Ryabov is so certain of the success of the fall elections on the banks of the Neva that he even refused to discuss what the federal authorities will do if they fail. [St. Petersburg Mayor] Anatoliy Sobchak also regards 30 October with optimism and stated that after the by-elections the city assembly will be formed in any event even if deputies do not appear in Mariinskiy Palace for some of the districts. True, the mayor promised that there would be trouble for the administration heads in those regions where there are problems with the elections the second time around.

Meantime, in order to increase the masses' level of participation, an advertisement has begun to be shown on the St. Petersburg TV channel in which a worker, a female pensioner, a young mother, an academic, and an Army officer call on people to remember their civic duty and not sit at home the last Sunday in October.

Land Leases To Come on Sale in Moscow

LD2510094094 Moscow Mayak Radio Network in Russian 0705 GMT 25 Oct 94

[FBIS Translated Text] Land in the capital is not for sale for the time being. But leases can be purchased. Moscow Mayor Yuriy Luzhkov signed a directive on payment for the right to conclude a contract on the lease of land in Moscow.

Yavlinskiy At Odds With Russia's Choice

954K0177A St Petersburg NEVSKOYE VREMYA in Russian 21 Oct 94 p 1

[Telephone interview with Grigoriy Yavlinskiy by Viktoriya Rabotnova in Moscow; date not given: "I Do Not Serve Anyone"]

[FBIS Translated Text] [Rabotnova] Do you consider yourself an economist or a politician?

[Yavlinskiy] I am first and foremost an economist, and it is for this reason that I have been forced to become involved in politics. It is essential today that the politicians who implement economic programs themselves be economists. It is pointless simply giving advice because such a serious transformation of the economy as is essential for us cannot be effected to offstage prompting.

[Rabotnova] But, nonetheless, you consider it possible for yourself to give Luzhkov advice concerning privatization in Moscow?

[Yavlinskiy] I do not serve Luzhkov; it is altogether a long time since I served anyone. I gave him my suggestions, and I am prepared to do what is of interest to him. But I am not being paid for this.

[Rabotnova] Does this mean that you are expecting political dividends and that your privatization program will persuade potential voters?

[Yavlinskiy] Yes, of course. If the program is realized, I hope that Muscovites will be persuaded that these are highly prudent and efficient methods of operating.

[Rabotnova] Cooperation with the government is unacceptable for you?

[Yavlinskiy] It makes no sense. However much we have appealed to this government, it has all been useless. It is preoccupied with itself, now, for example, with resignations. There is one solution: to prepare for elections and win them.

[Rabotnova] The majority of politicians oriented toward participation in the elections aspire to create their own parties. You?

[Yavlinskiy] Quite an active process of the structuring of regional movements that support us is under way, and we, in turn, are helping them. They could unite next year, I believe.

[Rabotnova] Your argument with Gaydar—is this primarily a dispute between two economists?

[Yavlinskiy] Yes. This is essentially an argument about how to effect the reform. But there are additionally questions of morals and policy also. I believe, for example, that the events of 3-4 October should not have been permitted under any circumstances. Gaydar is of a different opinion.

[Rabotnova] Please formulate your main economic disagreements with the leader of Russia's Choice.

[Yavlinskiy] There are disagreements in practically all spheres. To take monetary policy, we believe that inflation can only be overcome after real private ownership and real competition, on the land and real estate markets included, have appeared and when we have established free-trade conditions with the countries of the former USSR. Prior to this, we can only pursue a policy of restrictions and regulation of the money supply, which is correct in itself, but to make this regulation the principal task to the detriment of everything else is pointless. One further matter of principle. Liberalization, which Gaydar considers the most important component, is under our conditions resulting in the liberalization of the old Soviet monopolies. We, on the other hand, believe that liberating society and the economy from these monopolies is what is most important.

[Rabotnova] To leave both politics and economics.... It is said that you have two St. Bernards. Is this true?

[Yavlinskiy] I have no St. Bernards. A mongrel and a mixed-breed sheepdog live at home.

Moscow Said Supplying Opposition With Arms

LD2410210494 Moscow INTERFAX in English 1909 GMT 24 Oct 94

[FBIS Transcribed Text] The statement of the Russian defense minister cannot conceal the fact that units of the North Caucasian Military District supply the Chechen opposition with armaments and military equipment, Chief of the Chechen Armed Forces Main Headquarters Aslan Maskhadov told Interfax.

Russian Defense Minister Pavel Grachev said that the Russian Army did not participate in the "civil war" in Chechnya during his visit to Sakhalin (Far East) today. He stressed that several units of the North Caucasian Military District had been put on alarm and that their commanders had been instructed to localize the conflict immediately if it went beyond the borders of Chechnya.

Maskhadov said there was no civil war in Chechnya. "There is a conflict between Russian mercenaries and volunteer corps of the Chechen people," he said.

Grachev: Armed Forces 'Not Involved' in Chechnya

LD2410155094 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] Russian Defense Minister Pavel Grachev has declared that the Russian armed forces are not involved in what he described as the civil war in Chechnya but said that several formations of the North Caucasus military district have been alerted. Their commanders have been ordered to immediately localize the conflict if it spills beyond Chechen territory. Speaking in Yuzhno-Sakhalinsk on Monday Grachev also said the air space in the conflict zone is controlled by air defense means.

Official Calls on Chechen Opposition to Yield

LD2410162094 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] Chief of Staff of the Chechen Armed Forces Aslan Maskhadov has called on opposition members for an end to confrontation and unity against external threat.

Speaking on Chechen television, he said there were no winners in last week's violent clashes in the Urus-Martan region between government troops and opposition units.

Maskhadov did not rule out peace talks with opposition leaders if they "change their mind and surrender weapons."

He said 28 soldiers of the 300-strong government force involved in the operation aimed at wiping out the Bislan Gantimerov-led rebel unit at Urus-Martan were killed. According to the Chechen interior ministry, 137 rebels were also killed.

Nine opposition activists carrying automatic guns, a machine-gun, a grenade launcher and pistols were detained by local police over the week-end, officials of the state security department in Groznyy told INTERFAX.

Reports from Groznyy say that some 2,000 people are involved in a demonstration in the Chechen capital in support of demands for immediate measures to crack down on the opposition's armed resistance.

Chechnya's Mamodayev Explains Way Out of Crisis

LD2410133394 Moscow ITAR-TASS in English 1259 GMT 24 Oct 94

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Transcribed Text] Groznyy October 24 TASS—President Boris Yeltsin can act as a guarantor for settling the protracted crisis in Chechnya, head of the People's Confidence Government Yaragi Mamodayev (Mamodayev did not join the Provisional Council headed by

Umar Avturkhanov, the main opposition leader) said in a telephone interview with ITAR-TASS on Monday.

In Mamodayev's opinion, the Russian leadership should clearly and firmly express its approach to the Chechen problem and to start, as soon as possible, consultations and talks, on the basis of law, morale and justice, with all healthy forces in Chechen society to hammer out an optimum solution.

"It is high time for us to understand that the Chechen problem cannot be settled at one go. We should renounce mutual threats, accusations, overt and covert pressure and turn, at long last, to generally-accepted civilised methods of settling the present deteriorating (regrettably) contradictions," the head of the provisional government noted.

Chechnya needs now, as never before, outside assistance but not with troops or weapons, Mamodayev continued. In this connection, he opposed any pressure through a financial, transport or other blockade.

Turning to the role and place of the People's Confidence Government in the political life of the republic, its head stressed that it was appointed by the Chechen parliament in April 1993 and remains the only legitimate body of authority up to this time.

The government has a program for pulling the republic out of the political crisis and an action plan for a transition period. It also drafted a program for restoration and development of the economy.

An active search for financial support of these programs is now in progress. Mamodayev noted that Russia could channel billions of roubles to support realistic plans for pulling the Chechen republic out of the crisis.

"This could be done at least in the form of credits which we would guarantee to return right after the situation in the republic returns to normal," Mamodayev concluded.

Khasbulatov Supporters Blamed for Car Bomb

LD2410192694 Moscow INTERFAX in English 1640 GMT 24 Oct 94

[FBIS Transcribed Text] The explosion of a car in Tolstoy-Yurt last Sunday was organized by supporters of Ruslan Khasbulatov, the Chechen National Security Department told an Interfax correspondent today. The same source said the explosion had been carried out in order to kill Ruslan Labazanov, the leader of an opposition armed grouping, who is in Tolstoy-Yurt.

The National Security Department said there was significant discord between the two leaders adding that Khasbulatov was believed to have demanded earlier that Labazanov leave Tolstoy-Yurt.

Says Dudayev Regime 'In Deep Defense'

LD2410185994 Moscow ITAR-TASS in English 1843 GMT 24 Oct 94

[by ITAR-TASS correspondent Andrey Palaria]

[FBIS Transcribed Text] Moscow October 24 TASS—Chechen leader "Dzhokhar Dudayev's regime is in 'deep defense,' while the Chechen president himself is losing the signs of a normal ruler," former Russian Parliament speaker Ruslan Khasbulatov said.

In an exclusive interview with ITAR-TASS on Monday, Khasbulatov said that "after the bloody clash between the opposition and official Groznyy in the Urus-Martan district on October 19 practically the whole population has stood up against Dzhokhar Dudayev's regime."

He believes the last straw was a car bombing in the village of Tolstoy Yurt where about 1,000 Chechen elders and clergymen attended a conference this past Sunday.

Khasbulatov, who has set up a peace-making group in Chechnya, stressed that "Dudayev has lost practically all of his supporters, while those 20 tanks he has can hardly resist the opposition troops." At the same time, he noted that if the Provisional Council had more means and ways, "there would be more chances for toppling Dudayev's regime."

Khasbulatov believes that not all political opportunities for resolving the crisis have been used up yet. There are enough influential forces in the republic to settle it by peaceful means, he added. He emphasized that "in reality people back the opposition."

The anger and hatred roused in the republic by the Sunday terrorist act have made Tolstoy Yurt a centre of public pilgrimage, Khasbulatov continued. He told ITAR-TASS via telephone from his office whose window panes were shattered by the bomb explosion that a large group of people gathered outside of the peace-making group headquarters to voice their support for the opposition "which they consider as the only hope for the removal of Dudayev's regime."

Speaking about his disagreements with Provisional Council leader Umar Avturkhanov, Khasbulatov noted that they concern mostly tactical moves. Khasbulatov calls for immediate elections in Chechnya to form a new government of "respectable people." "If there are no people in whom the population can hold faith, there will be no good" and there will be no guarantees against new conflicts, he said.

Asked if he is ready to become the republic's new leader, Khasbulatov said that that is not his goal. His task is to "find, help and recommend worthy people." He admitted that he is not seeking power in Chechnya and once again denied official Chechen authorities' allegations that he plans to leave the republic. "I have no intention to leave," he added.

Circumstances of Powerful Blast in Groznyy Remain Unclear

LD2410132894 Moscow ITAR-TASS in English 1233 GMT 24 Oct 94

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Transcribed Text] Groznyy October 24 TASS—Circumstances of a powerful blast that rocked the Chechen capital Groznyy last night, remain unclear up to this time. ITAR-TASS learnt at the republican Interior Ministry that reasons for and consequences of the explosion were not found out.

Officials at the chief staff of Chechen Armed Forces could not say anything definite either.

According to one version, a missile exploded mid-air without reaching its target.

Safety Procedures Needed at Pskov Ammunitions Dump

LD2410173294 Moscow ITAR-TASS World Service in Russian 1505 GMT 24 Oct 94

[By ITAR-TASS stringer Sergey Luchnikov]

[FBIS Translated Text] Pskov, 24 Oct—No more than 15 percent of the ammunition scattered in the blast on 23 October at the first line ammunition holdings depot of the Pskov Paratroop Division has been made safe, Viktor Zvonkov, chairman of the oblast commission for civil defense and emergencies, told the ITAR-TASS correspondent. Three days were set aside to make it safe, but it has become clear today that this period needs to be doubled at least. The difficulty is that many explosive items cannot be transported and need to be destroyed on the spot.

A special Moscow commission of the headquarters of the Russian Federation Airborne Troops is investigating the cause of the fire and subsequent explosion at the depot.

The tragedy resulted in the death of three servicemen, and one seriously injured and six slightly injured. The command of the paratroop division has appealed to the population of Pskov to give what financial assistance it can to the families of those killed or injured in the blast. An account has been opened for donations. The entire staff of the division were the first to show the initiative, collecting about six million roubles.

International Affairs

Kuchma, Reynolds Discuss Nonproliferation Treaty

LD2410175894 Moscow INTERFAX in English 1535 GMT 24 Oct 94

[FBIS Transcribed Text] Ukrainian President Leonid Kuchma told Irish Prime Minister Albert Reynolds on October 23 that he was determined to bring the process of Ukraine's joining the Treaty on the Nonproliferation of Nuclear Weapons to its logical end.

Kuchma stopped over in the Irish airport of Shannon en route to Canada where his official visit begins on October 24.

He told Reynolds that he had sent a document to the Ukrainian parliament on Ukraine's joining the Nonproliferation Treaty and that his team was working hard to accelerate the joining process.

Kuchma also urged Reynolds to accelerate the ratification by the Irish parliament of the partnership agreements between Ukraine and the European Union which will go into effect only after it has been ratified by the parliaments of the Union's member-states.

To quote Kuchma, there are positive moments in relations between Ukraine and Ireland. Irish companies are rebuilding Kiev's Borispol airport. A Ukrainian-Irish joint venture, the Ukrainian International Airlines, with a statutory capital of $115 million has been set up.

Both leaders expressed hope that relations between their countries would be moved from standstill and develop more dynamically.

Kuchma arrived in Canada on October 23. He is expected to hold talks with Canadian Prime Minister Jean Chretien and members of the Canadian government on Monday. The talks are expected to culminate in the signing of the treaty of friendship an cooperation, and a series of agreements on broadening economic, trade and military contacts.

Kuchma, Canada's Chretien on Agreements, Talks

LD2410203594 Moscow ITAR-TASS World Service in Russian 1934 GMT 24 Oct 94

[By ITAR-TASS correspondent Nikolay Setunskiy]

[FBIS Translated Text] Ottawa, 24 Oct—After their talks today, Jean Chretien, prime minister of Canada, and Ukrainian President Leonid Kuchma, who is paying a state visit to Canada, signed a treaty on the friendship and cooperation between Canada and Ukraine and an agreement on the encouragement and mutual protection of investments.

The treaty says, among other things, that the two sides will develop their cooperation on all levels with the aim of further widening and deepening the bilateral relations based on their commitment to democracy and economic reforms. "The signing of this treaty confirms that a special partnership exists between Canada and Ukraine," J. Chretien said at a joint news conference held by the leaders of the two states after the talks.

In addition to the above, agreements on economic and military cooperation and other bilateral documents have been signed on the ministerial level. "The fact that a whole number of agreements has been signed shows that there are close ties between Canada and Ukraine, which we intend to strengthen," said the Canadian head of government, adding: "Canada regards Ukraine as an important partner in Europe and we are sincerely committed to our close cooperation with the Ukrainian people in its search for a better future and for prosperity."

"It will not be exaggeration to call this moment a historic stop in the continuing process of developing relations between our peoples," Leonid Kuchma stated, speaking about the signing of the Canadian-Ukrainian agreements. "The central point of our relations is what the prime minister called special partnership and today it was sealed by the cooperation and friendship treaty." "Thus we have once again confirmed our mutual understanding and the indisputable fact that the existence of the sovereign, united, and economically strong Ukraine is not only in the interests of the Ukrainian people but Canada as well, let alone the interests of Europe, because our country is the part of it."

"This is why we agree with Prime Minister Jean Chretien that political and economic security of Ukraine, which plays an important stabilizing role in the region, is of exceptional importance not only for the people of Ukraine but for the Canadian people as well."

Cooperation Planned in Satellite Launches

LD2410192494 Moscow INTERFAX in English 1640 GMT 24 Oct 94

[FBIS Transcribed Text] Ukraine hopes for cooperation with Canada in the commercial launch of Ukrainian boosters with Canadian satellites, Ukrainian Deputy Prime Minister, Defense Minister Valeriy Shmarov, told Interfax-Ukraine Monday.

According to Shmarov, Ukraine could provide the US with "some competition" in this area as "launching a satellite with a Ukrainian booster is 2-3 times cheaper than with an American."

Shmarov added the possibility of launching Canadian surface monitoring satellites from Canadian territory.

Ukraine plans to launch its own surface scanning satellite Okean-U and the first Ukrainian relaying orbit-based station Lebed in 1996, he added.

Kuchma Wants Western Aid To Stabilize Currency

LD2410175394 Moscow INTERFAX in English 1648 GMT 24 Oct 94

[From the "Presidential Bulletin" feature: No. 206 (696); compiled by Nikolay Zherebtsov and Andrey Petrovsky; edited by Vladimir Shishlin]

[FBIS Transcribed Text] President Leonid Kuchma on Monday begun his official visit to Canada.

During his first official visit as president, Kuchma is to meet Prime Minister Jean Chretien and Governor General Ramon Gnatishin.

In addition to Ottawa, the president plans to visit Toronto, Saskatchewan and Edmonton, where he is to meet provincial prime ministers and members of the Ukrainian diaspora.

On October 27, Kuchma is due to make a 20-minute speech at the opening session for the international conference on "Partnership for Economic Reforms in Ukraine" in Winnipeg. The Ukrainian leadership hopes that, at the conference, the Group of Seven industrialized nations will decide to give Ukraine financial assistance to promote its economic reforms.

Kiev also hopes that the West will provide $1.5 billion for Ukraine's stabilization fund for the republic's national currency, the hryvna, a fund whose ultimate size the Ukrainian Economics Ministry puts at $2.5 billion. IF Note: The managing director of the International Monetary Fund, Michel Camdessus, has already announced the IMF's intention to give Ukraine the first $365-million tranche of a systems transformation facility loan the fund has allocated for the republic. The second tranche of the $720-million loan may arrive early next year. The World Bank is also willing to provide Ukraine with loans, namely up to $600 million for economic rehabilitation, $500 million for the energy sector and $100 million for other purposes, if Ukraine meets a series of conditions.

Kuchma told reporters before his departure that Ukraine badly needed about $1 billion before the end of the year to pay for energy received from Russia and Turkmenistan.

Kuchma said that, during their meeting in Moscow last week, President Boris Yeltsin said Russia might defer for several years Ukraine's debt for Russian gas, topping $1.5 billion.

Speaking in parliament, Kuchma said his government was going to deregulate prices, give an impetus to privatization and press for sanctioning land privatization. If financial aid comes, the government would give up "fixing the official rate" for the Ukrainian currency and have it based on the results of trade at the republic's currency exchanges.

According to unofficial sources, the Ukrainian government will within the next few days put up the prices of general services, transport, bread and some other goods in order to cut down its subsidies. The government has also decided to stop funding several national programs from the end of the year, a measure which is expected to reduce the budget deficit from the planned 25 to 10.3 percent.

New Ambassador to U.S. Defines Priorities

LD2410200094 Moscow INTERFAX in English 1850 GMT 24 Oct 94

[FBIS Transcribed Text] Ukraine's newly appointed ambassador to the United States, Yuriy Shcherbak, gives priority to broadening bilateral relations, particularly in the sphere of economy and nuclear disarmament.

He told Interfax-Ukraine in an exclusive interview on Monday upon the completion of his mission of Ukrainian ambassador in Israel, that he had had too little time for studying the United States and the problems of our relations. "At the same time, I can see three priority areas of my future work, and understand what should be done," he said.

Speaking about his priorities he named the problem of improving and broadening bilateral relations. He believes that Kuchma's future visit to the United States will open a new chapter in Ukrainian-American relations. The visit is to begin on November 28, he said.

Shcherbak will attach special importance to the problems of Ukraine's nuclear disarmament, particularly to its political, technical, ecological and economic aspects.

Priority importance will also be attached to economic cooperation. "This has to do with encouraging investment to the Ukrainian economy with due account taken of the presidential program for economic reform," he said. Contacts with international financial organizations, above all the International Monetary Fund and the World Bank, headquartered in the United States, would be promoted still further.

Shcherbak stated that he would work to enhance the efficiency of the Ukrainian Embassy's work.

He said he was acquainted with a number of U.S. officials, including Vice President Albert Gore, and with many congressmen and senators. "I have a good idea of the United States, Washington and the American corridors of power," he said.

He qualified his appointment as politically motivated. "I'm not a career diplomat. But over the two years of my work in Israel, I have amassed enormous experience," he said.

Japanese Envoy Views Economic Cooperation, Aid

WS2410154594 Uzhhorod NOVYNY ZAKARPATTYA in Ukrainian 15 Oct 94 p 6

[Interview with Japanese Ambassador to Ukraine Shoji Suezawa by VECHIRNIY KYYIV reporters Oksana

Boyko and Natalya Vikulina; place and date not given: "Japan and Ukraine Have a Lot in Common"]

[FBIS Translated Excerpt] [passage omitted] [Reporter] *How is Ukraine currently perceived in Japan, what do common people know about it, do they know that is exists at all, and do we, such distant neighbors, need precise information about each other?*

[Suezawa] Your country has well-developed industry, agriculture—the prosperity of which is bolstered by fruitful land—rich natural resources, high intellectual level of the people, and science and technology at world levels. People in Japan believe that our countries have great possibilities to substantially improve our trade and economic cooperation.

From the geopolitical point of view, Ukraine is located between Europe and Asia, and it can play a very important role as a special bridge between East and West.

It is common knowledge that Ukraine has been, and is still playing a prominent role in the 1,000-year-long history of Slavic peoples.

I must say, however, that the level of understanding between the Japanese and Ukrainians is completely inefficient. I think that, to improve relations between our countries, one of the main tasks is to learn to understand one another. We have only general information, but there is shortage of real knowledge and emotional ties between our people.

We must arrange more cultural events, expand the exchange of information, materials about our countries, and people. Our embassy considers this one of its primary tasks.

[Reporter] *How do you assess the current status of Ukrainian- Japanese relations, and how do you see their prospects? In which spheres could our countries cooperate most closely?*

[Suezawa] Regarding political relations, our countries' foreign ministers held talks in New York last September, and Mr. Fukuda, Japan's vice deputy minister of foreign affairs, and Mr. Makarevych, Ukraine's first deputy minister of foreign affairs for political issues, met in Tokyo at the end of last year. In March of this year, our countries signed an agreement on Ukraine's nuclear disarmament and established a committee for cooperation, and Japan has allotted almost $16 million for this purpose.

Additionally, we have invited diplomats to Japan to learn about our country and the Japanese language—this will contribute to the development of mutual understanding.

As I have already said, while responding to your previous question, Japan and Ukraine have great potential possibilities to develop large-scale trade and economic ties. [passage omitted]

Certain Japanese companies are already operating in Ukraine. How many Japanese businessmen, who want to invest in the Ukrainian economy or open branches of their firms in Ukraine, have requested that your embassy provide appropriate information? What do you advise them? To come here as quickly as possible or wait for better times in Ukraine?

[Reporter] *In 1993 and 1994, almost all of the largest trade firms have sent their representatives to Kiev—this is a foundation for the further development of trade and economic ties with Ukraine.*

[Suezawa] As for Japanese investment in Ukraine, I must say that Japan is currently in a deep economic depression, and Ukraine is also experiencing economic hardships connected with the transitional period. It is therefore hard to term conditions in our country conducive to investments.

We must therefore more carefully examine each other's real possibilities to predict the future development of our trade and economic relations, which have so many hidden possibilities. [passage omitted]

Japan's humanitarian aid to Ukraine is delivered at two levels—the state and unofficial levels. I have only mentioned actions conducted at the unofficial level.

At the state level, this aid has been sent in the form of pharmaceuticals and equipment totalling $3 million. In 1994, 75 percent of Ukraine's children hospitals received this aid through the International Red Cross; the most modern diagnostic equipment worth $2 million was sent to the Ukrainian Center of Radiation Medicine for people who suffered from the Chernobyl accident; 10 cities in northern and western Ukraine received pharmaceuticals and equipment developed by the WHO and designed to treat 30,000 people within one month. [passage omitted]

[Reporter] *Many residents of Kiev, complaining about their current discomfort, lay the blame on the Chernobyl disaster, which is still negatively affecting our health. Do you and workers of the Japanese Embassy feel this effect, or do you think that it is not as significant and dangerous as we think? What does Japan's experience show, since you were the first country to suffer a nuclear catastrophe?*

[Suezawa] The 1986 accident at the Chernobyl nuclear power plant was actually a calamity. Japan, which knows all the horror proceeding from consequences of radioactive contamination, wants to help liquidate the aftermath of this tragedy—it sends materials, doctors, and other forms of assistance at both the state and unofficial levels, as I have already said. [passage omitted]

[Reporter] *Since we have touched upon the nuclear issue, let me ask you another question in this regard. In Ukraine, representatives of various socials sectors, parties, and movements are still voicing their doubts whether Ukraine was correct or not, having waived its right to* *nuclear weapons. Should it join the Nuclear Nonproliferation Treaty [NPT] as a nonnuclear state? What is your opinion about this, based on the experience of nonnuclear Japan?*

[Suezawa] Ukraine, while declaring its independence, as well as later in various official documents and statements, addressed the issue of nuclear disarmament. Moreover, at the summit in Naples this year, the "G-7" countries appealed to states, which have not yet joined the NPT, to join it as nonnuclear states, and they voiced hope that Ukraine would join the treaty as quickly as possible.

Ukraine's accession to the NPT will allow it to take a place in the international community it deserves, and will step up the development of this new state. [passage omitted]

Businessman on Benefits of Kazakh Accords

AU2510112894 Kiev HOLOS UKRAYINY in Ukrainian 21 Oct 94 p 8

[Interview with Bohdan Hubskyy, chairman of the Directors' Council at the Ukrainian Industrial and Financial Concern "Slavutych" and member of the Ukrainian governmental delegation to Kazakhstan, by Lyudmyla Fisyun; place and date not given: "Kazakhstan Trusts Our Businessmen and Offers Cooperation"]

[FBIS Translated Text] **The accords that were recently signed by the Ukrainian governmental delegation in Kazakhstan have also become the first swallows in the East, swallows that are determined to make a summer, and a mutually advantageous one at that. Kazakhstan, just like Ukraine, has been badly hit by the disruption of the formerly close economic ties. Until this year's Ukrainian-Kazakh negotiations at governmental level, nothing had, unfortunately, changed for the better in the interrelations between our states, despite the quite considerable previous efforts. As a result, instead of the situation when Kazakhstan was, after Russia, virtually the second consumer of Ukrainian machine building and chemistry, an entirely different situation prevailed: Mutual deliveries, including those of resources, between our countries have been practically nonexistent.**

Did our governmental delegation manage to tie up the severed threads of economic relations? Bohdan Hubskyy, chairman of the Directors' Council at the Ukrainian Industrial and Financial Concern "Slavutych" and member of the Ukrainian governmental delegation to Kazakhstan, answers these and other questions.

[Fisyun] Mr. Hubskyy, what was the main purpose of your trip to Kazakhstan within the governmental delegation?

[Hubskyy] To establish ties and cooperation not only at a state level, but also at the level of enterprises. We know how to trade and what to sell.

[Fisyun] Which of the accords concluded between Ukraine and Kazakhstan are the most important?

[Hubskyy] The accord on production cooperation. In the opinion of specialists, it virtually unties the hands of economic entrepreneurs and exempts them, in the case of supplying goods to these countries, from value-added tax, excise duty, and customs. It is also difficult to overestimate the significance of the accord on the integration of Ukraine and Kazakhstan in branches of heavy industry. The accord is effective until the year 2000. Its implementation will restore the severed ties. The interbank agreement, which enables economic entrepreneurs to open subaccounts in national currencies, has become a basic document. As a result, it is no longer necessary to transfer the national currency across state borders, and the problems of nonpayments, advance payments, or customs barriers are eliminated.

[Fisyun] There used to be governmental accords between our states, as with almost all CIS countries, but the documents did not work. What are the specific characteristics of the present intergovernmental and interbank accords and what will make them work?

[Hubskyy] Precisely now (for the first time) Ukraine managed to conclude governmental economic accords taking into account world practice and proceeding from the principles of GATT. Incidentally, this was immediately acknowledged by economic experts.

[Fisyun] What trend in future relations will be the most important?

[Hubskyy] The main problem today is the supply from Kazakhstan to Ukraine of those types of raw materials that Ukraine needs most: Nonferrous metals, copper, tin, and lead; second, oil and petroleum products, as well as many other industrial products. On the other hand, Kazakhstan presently needs Ukrainian diesel locomotives, steam-engines, products of machine building, pipes, and many other things. There is much to trade in. However, the main problem lies in nonpayments. The national currencies—the tenge in Kazakhstan and the karbovanets in Ukraine—are inconvertible. More specifically, with the tenge or with the coupons, we cannot today buy as many dollars as we need. Therefore, the main problem is not what or how to export, but with what and how to pay. The most likely pattern of work is as follows: We purchase goods in Ukraine with our karbovantsi, take those goods to Kazakhstan, sell them there, and with the resulting money buy copper, tin, and lead.

[Fisyun] How about the interbank problem, to be tackled—the problem of payments and money orders from Ukraine to Kazakhstan and vice versa?

[Hubskyy] The banking system is like a circulatory system in any state. It is presently disrupted between Ukraine and Kazakhstan. There were many reasons for that, both political and economic. The interbank accord will make it possible not to convert the tenge into the karbovanets or vice versa, but to resolve the payments problem through production cooperation and direct agreements between enterprises on the supply of products. Kazakhstan's enterprises will be able to open accounts in Ukrainian banks and Ukrainian enterprises—in Kazakhstan's banks.

[Fisyun] What role has been given to commercial structures in Kazakhstan-Ukrainian economic relations?

[Hubskyy] A major one. The state will, certainly, take upon itself main controlling functions. In many cases, it is easier for commercial structures to get credits, and they are more flexible. Incidentally, Kazakhstan proposes that we proceed to economic cooperation precisely through commercial structures and that Ukrainian-Kazakhstan trading agencies be created. Therefore, the Eastern market has become open to Ukrainian businessmen. Ukraine has received a real possibility to push the mutual relations with the East from the deadlock. There is no need to invent something new. We must simply restore those ties that existed for many years. In this, an important role belongs precisely to businessmen.

Defense Minister on CSCE Peacekeeping Role

LD2410191494 Moscow INTERFAX in English 1640 GMT 24 Oct 94

[FBIS Transcribed Text] The CSCE has asked Ukraine to take part in the settlement of the conflict in Nagorno-Karabakh, Ukrainian Defense Minister Valeriy Shmarov told Interfax-Ukraine today.

He said the CSCE was now discussing the possibility of sending peacekeeping forces to Nagorno-Karabakh under CSCE auspices in which Ukraine could also participate.

Earlier, Ukrainian Foreign Minister Gennadiy Udovenko said that Ukraine was reviewing its position toward peacekeeping forces acting in CIS hot spots, the situation in which directly concerned the interests of Ukraine.

"Ukraine is interested in the settlement of the conflict and will discuss its possible participation in the CSCE peacekeeping forces," Shmarov said.

Commenting on other serious conflicts, Shmarov said that many of them had broken out near Ukraine (ex-Yugoslavia, Transdniestria, Abkhazia). He said that Ukraine considered it necessary to control the situation there as instability in these regions could affect the situation in Ukraine.

Odessa Joins Commonwealth of Danube Countries

LD2410195394 Kiev UNIAN in Ukrainian 1410 GMT 24 Oct 94

[[FBIS Translated Text] Odessa [No dateline as received]—According to the results of a vote by government representatives of countries of the Danube area, Odessa Oblast has become a real member of the Commonwealth of Danube Countries. Ruslan Bodelan, the chairman of the oblast council who led a delegation to the conference in the Austrian town of Linz, told UNIAN about this on 24 October.

Replying to a question on what were the consequences of the region's entry into the commonwealth, Ruslan Bodelan said: "The representatives of commonwealth governments expressed their readiness to take part in the development of a transport infrastructure on the Danube and to elaborate and finance joint projects of a network of enterprises on the Ukrainian section of the Danube that would improve shipping conditions." In the words of Ruslan Bodelan, the members of the forum expressed considerable interest in the creation of free economic zones in Odessa Oblast. On the whole, Ukraine, as opposed to Romania, Slovakia, and Hungary, does not belong to the Commonwealth of Danube Countries.

Kiev Replaces Yugoslav Peacekeeping Battalion

LD2410193494 Kiev UNIAN in Ukrainian 1600 GMT 24 Oct 94

[FBIS Translated Text] Kiev [no dateline as received]—Ukraine will replace its 60th special peacekeeping battalion in former Yugoslavia between 1-8 November, Oleksandr Kluban, head of the Ukrainian Defense Ministry's press service, said at a news briefing on Ukraine's participation in the UN peacekeeping operations in former Yugoslavia, held on 24 October. The replacement will be conducted in three stages, with the first plane flying to the town of Glina on 1 November.

The Ukrainian battalion comprises three special companies, a sapper company and a rear and medical services company. The total number of servicemen is 554.

Paramilitary Group To Send Troops to Groznyy

LD2410190894 Kiev UNIAN in Ukrainian 1600 GMT 24 Oct 94

[FBIS Translated Text] Kiev—UNA-UNSO [Ukrainian National Assembly-Ukrainian National Self-Defense] Deputy Commander Dmytro Korchynskyy, who returned from Chechnya on 24 October, told UNIAN he met Chechnya's political and military leadership, including President Dzhokhar Dudayev. According to Korchynskyy, they discussed the latest developments in Chechnya and Northern Caucasus. The sides settled a number of "technical issues" and agreed on cooperation in Northern Caucasus as well as the possibility of using "General Dudayev's contacts to resolve certain problems in the East and the Arab countries in the interests of Ukraine."

Dmytro Korchynskyy confirmed that UNA-UNSO would fight on Dzhokhar Dudayev's side in Chechnya's armed conflict. He refused to reveal any details, referring to "certain articles in Ukraine's Penal Code which prescribe liability for actions prompted by a person's conscience."

"I do not think we will be able to prevent some UNA members and UNSO fighters from trying to help the fraternal Chechen people," said Korchynskyy. "War is war. Whoever survives will face a jail term."

UNA-UNSO is among the organizers of the Conference of Freedom-Loving Nations which, according to Korchynskyy, will be held this November after its delegates confirm their travel arrangements to Groznyy. He said, delegates are expected to arrive from Ukraine, Russia, Poland, the Czech Republic, Slovakia, the Caucasus states, France Germany, Spain, former Yugoslavia, and other countries.

National Affairs

Reaction to Kuchma Policy Address Detailed

WS2410123094 Kiev VYBIR in English 1846 GMT 23 Oct 94

[Article by Viktor Tkachuk: "Kuchma's New Economic Policy; Possibility of Conflicts"]

[FBIS Transcribed Text] Leonid Kuchma, the second President of Ukraine, has finished his first 100 days as the head of the state with the speech before the MPs, in which he put the main thesis of the new economic policy of his government. His speech did not leave a single person indifferent. The new shock-therapy course the President tested successfully on the MPs. The reaction of the deputies' corps can be called typical for all the Ukrainian people.

Economic reforms, which necessity so largely discussed, starts 4 years later. The present conditions to start reforms are the worst during all the time of independent Ukraine, and they continue to get worse. Cold season is on the eve, which under the conditions of a deficit of energy resources will become a serious testing for the Ukrainian economy. The situation is also not favorable due to the fact that the parliamentary majority is represented by the left-oriented bloc, which actively opposes to the presidential reforms. "President does not fulfill election promises,—considers Serhiy Aksenenko, a member of the communist faction from Luhansk region,—he has not fulfilled hopes, which the Eastern Ukraine had, and worse support brought him to power." This is a typical estimation for communists, who have the largest faction in the parliament. In his speech before the MPs Leonid Kuchma openly said that restoration of the USSR is impossible. This evoke a wave of dissatisfaction among the communists. Anti-Kuchma mood among the left forces became stronger after the President released the plans for cooperation with the IMF, which they consider undesirable and harmful for Ukraine. Known socialist Volodymyr Marchenko says that Kuchma "tries to make well off people richer at expense of the poorest people." Marchenko came to this resolution after the analysis of changes in taxes for private income of citizens. Volodymyr Marchenko considers the decree of Leonid Kuchma to reduce the maximal income tax from 90 percent (of income more than 4 million karbovanets, or $45) to 50 percent be a groundless liberalism. He hopes the President will change his decision after he takes into account recommendations of socialists. Explaining the attitude of the socialist faction to the measures proposed by Kuchma, he says that on the one hand the socialists cannot prevent from the right of the president to carry out his program, but on the other hand they do not want to be responsible for sequences of the new course, if changes proposed by the socialists are not taken into consideration. The factions of socialists and communists are meanwhile the only factions, which are totally against Kuchma's economic course.

Thus, after the President's speech 125 deputies, which is about 30 percent of the parliament, are undoubtedly against the measures proposed by the President.

Other factions either are neutral, or support the President. Among the strongest supporters are the faction "Reforms". The factions "Narodny [National] Rukh", "Derzhavnist", "Interregional Bloc of Reforms", "Center" also support the President. The faction of agrarians and "Ednist" also partially support the President. Thus, about 63 percent of the MPs support the President, and 17 percent approve some of the steps.

This division of the parliamentary forces testify that a serious conflict between the executive and legislative powers is impossible, despite it has been a popular topic for some independent observers recently. At the same time we probably do not take into account additional elections to the parliament, which have made much weaker the position of the left-oriented bloc.

As a result of the recent elections the left got only 4 communists, 8 agrarians and none of socialists, while the majority of newly elected MPs joined "non-left" factions. So, the new policy of the Ukrainian legislative body has the following division of forces: "Communists of Ukraine for social justice and the power of people"—90, socialists—25, "Agrarians of Ukraine"—41, "Ednist"—27, "Center"—61, Narodny Rukh of Ukraine—29, Interregional Bloc of Reforms—27, Reforms—37, "Derzhavnist"—27, and non-affiliated—32-33.

Changes in the attitude to the President after 100 days of his power were provoked by internal disagreement in the left bloc, which just recently was represented by the communists, socialists and agrarians (totalling 156). This happened due to the question on privatization of land. This hidden disagreement existed in the left bloc since the election campaign, when the Rural Party declared for the first time that land must be in private property of those, who work on it. Until Kuchma's speech no reforms have been carried out in this direction. After the President spoke for the property reforms in all spheres, including in the rural sector, the Rural party is likely to decide a dilemma either to stay with socialists, communists and Moroz, who deny privatization as something alien to them, or to support the President, who is going to fulfill this part of the program.

Having made the analysis on the new polarization in the MPs corps with the respect of the new presidential course, it is easy to see that Kuchma's main opponents come from the Eastern Ukraine, and mainly from Luhansk and Donetsk regions. The presidential elections shown that Leonid Kuchma had quite a sufficient support in these regions. Now unpopular measures in view of reducing the budget deficit proposed by the President may receive the strongest counteraction in these particular regions. Under these conditions a dialogue between the President and the mining trade unions are of a great importance. And this explains activities undertaken by the presidential team, who prepare grounds for signing an agreement with trade unions on moratorium on strikes between the President and the trade unions. Communists, who mainly come from these regions, may have a greater influence in provoking social unrest and strikes.

And at the same time the President still has the credit of trust, and he may receive a support in the Eastern Ukraine after he approves the official status of the Russian language and some elements of independence for the region. As a final measure the executive authorities can use their main trump-card to calm down emotions in the East—to buy coal abroad, which will be cheaper than the production in Donbass. The present slump in coal production and bankruptcy of one of the largest coal amalgamations in Donetsk only proves unpopular their expression—one lives poorly because he works badly. But it is most unlikely that the President will use these major arguments without profound grounds for that. Meanwhile the administration in Kiev does everything possible to reduce to maximum budget expenses, on the one hand, and avoid social unrest, on the other hand. In this connection minimal salaries will be raised along with the reduction of the state subsidies for bread.

Another conflict territory is the Crimea. Similar to the Eastern Ukraine, the MPs, who were elected there, are mainly the members of the faction of communists. The crisis of the executive and legislative powers in the Crimean autonomy, blunders made by Yuriy Meshkov and the Supreme Council of Crimea in the economic sphere distract social dissatisfaction on themselves. Leonid Kuchma, who received a considerable majority in the peninsular, is almost the only hope for the citizens of Crimea. It became especially noticeable after Russia's political activities in this region became weaker. There appears an impression that the problem of the Crimea becomes a purely economic one. On the eve of winter, after the cholera epidemic, the Crimea greatly needs support of Kiev. This tendency is well realized in the capital. Volodymyr Stretovych, the head of the parliamentary committee for legal reform, is sure there is no Crimean problem at the moment. "If the Supreme Council of Crimea does not adopt the Constitution of the autonomy with the Ukrainian Constitution, says he to a UPressA [VYBIR] representative,—it will be dissolved in accordance with the law, and new elections can be held to the regional council of Crimean region now". His colleague Grygory Omelchenko, in the past the head of the counter-espionage department of the Ukrainian Security Service, and presently the head of the parliamentary committee for measures against corruption, agrees that this solution is possible and it is supported by Ukrainian citizens in the Crimea. At the same time after rise in prices for bread and energy resources planned by the government the Crimean problem can become actual again. But in spite of pro-Russian propaganda, they understand in the Crimea that Russia, which actively cooperates with the IMF, will propose the same, as Kiev does.

Rise in prices planned by the government first of all will concern bread, electric energy and coal. It is planned to stop giving subsidies for bread and coal since January 1, 1995. This step meets the interests of agricultural producers and coal producers. starting the beginning of the next year agricultural workers will independently set up the prices for bread, which will reduce the difference in prices for food products and consumer goods. The same concerns coal. The main price blow will effect citizens of cities, but sober social policy will have to make it easier.

Thus, today in the parliament, a mini-model of our society, adherents of the new economic course of the president form the majority. In spite of influence of the left bloc, there are no grounds to expect a serious conflict between the top legislative and executive powers. The situation will remain intact until correlation between those, who are for the president and against the president, is not changed. A possibility for social conflicts remains in general, but it can be avoided in the two most unstable regions—Donbass and Crimea.

Kuchma's First 100 Days in Office Viewed

WS2510094194 Kiev HOLOS UKRAYINY in Ukrainian 19 Oct 94 p 3

[Commentary by Volodymyr Skachko: "Market Supporter Plus Noncommunist Plus Nonnationalist Equals Reformer? An Attempt To Analyze President Leonid Kuchma's First 100 Days"]

[FBIS Translated Text] If we take the day when the Central Election Commission officially declared Leonid Kuchma's victory in the presidential elections as the starting point, then the Ukrainian President closes his first 100 days in office on 19 October.

For us, the people who used to measure our lives by a five-year yardstick [reference to five-year economic plans], it is no jubilee. In many countries, however, the first 100 days of a president are sometimes more symbolic than a child's first steps, not only assessing his ability to walk, but also setting major activity thrusts, his character, and dynamics.

L. Kuchma won the election by a narrow margin, inheriting a state in disarray.

Figures describing our downfall are widely known. But what makes the catastrophe even more fatal is the fact that the victor already sat in the chair of prime minister and declared his intention to mend the situation, but failed to do anything progressive, limiting his activities to barely concealed administering. So, besides members of the defeated camp, Kuchma's opponents included those disgruntled with his previous policies. His potential foes could also be people who supported him during the election campaign but got zilch as "compensation" following the victory. (By the way, Kuchma is going to have more situations like this in the future, so we may yet witness them).

If it was not for the report the president delivered on principles of the country's economic and political transformation on 11 October, his first 100 days could be surely described as dull and laggard.

The president has managed to do three main things over this period of time. First, he has selected his team. For the first time in Ukraine, people who made their mark in the election fight or experts in their field, rather than gerontocrats, were given access to high echelons of power. Of course, time will make some changes in the presidential retinue, and cure all those who got infected with the "star disease," but the precedent for a coherent team coming to power has been set, anyway.

Besides, Kuchma has decisively changed people at the key ministerial positions in the government that he did not form himself.

Second, Kuchma has resolutely spoken for a presidency determined by the much-amended Constitution, and said that he is ready to be both head of state and the executive power. This was the reason, in his words, why he, after prior agreement from the Supreme Council chairman and prime minister, took control over the government and delegated executive powers to the popularly elected local council heads at all levels. To silence local leaders, who are bound to seek more independence, the term "regionalization" was wheeled out promising more independence to regions based on greater economic freedom closely watched by Kiev.

"Strong regions mean a strong center"—this slogan cajoled local leaders into compromising, securing them a strong foothold in case of a possible standoff between the executive and legislative branches. As both of them want to wield full power in the form of the presidential or council vertical chain of power, local leaders became a buffer zone between the two branches, on the one hand; and on the other hand, they protected themselves from encroachments from the center and the local councils that could "spoil the blood" of their chairmen by demands for unconditional subordination and precedent attention to local interests rather than national ones.

A third distinction of Kuchma's 100 days was determined by the president himself when, while delivering a report, he said that the preparation period is over, and that he and his team are ready to launch an offense. The previously announced war against crime, conceived as a strategic task within those 100 days, was supplemented by other clearcut strategic directions.

By nature, Kuchma's report was capitalist, anticommunist, and antinationalist, that is, apolitical. The president unequivocally urged the country to build capitalism with a human face based on the market economy, which yet needs to be made such.

Leonid Kuchma told the conflict-weary society that he will stand above political strife and will be the president of the entire country, whose territorial integrity and independence are unquestioned values for him.

The president told the left wing to abandon all hopes for restoration of the Soviet Union; the nationalists—not to even think about the previous course toward artificial self-isolation and forcibly breaking ties with Russia. As for all other oppositionists, he offered civilized rules of the game—a law on opposition that would transform it from a yelling crowd into a constructive and focused "pusher" of power and maker of alternative decisions.

L. Kuchma also suggested that an agreement be concluded on national accord, and asked for more patience for the sake of the state. Aside from the state, this was extremely important to him in the first place. Here is the reason. Having become president at a time when objective economic laws began to work, pushing prices sky high in response to money issues, L. Kuchma inadvertently has been made hostage to people's discontent. His name, again, became closely associated with the painful process of growing prices and the unwinding inflation spiral. The approaching winter will make matters even worse, coming—as usual—unexpectedly; and there will be nothing left to pay for energy. Although an inevitable element of radical reforms, social upheavals are not the best background to conduct them, and can even delay the entire process.

In all fairness, one should say that L. Kuchma did not try to justify himself, but called on everyone to tighten the belt and fight with common problems together.

The 100-day point has concurred with a discussion of the president's report in the parliament. Even though the president broadly hinted that he is ready to fill the legislative void necessary for implementing what was chartered by his edicts, it will be deputies' decisions that will mark the "D-Day" for him. The deputies may, or may not, do two things: help the president with necessary laws and approve all of his personnel reshuffles. The latter is particularly important, because everyone noticed that the architects of the president's strategy and the government's majority are all too different people; any wonderful plans can be quenched just by doing nothing. In other words, it will greatly depend on the Supreme Council chairman whether L. Kuchma will be a peaceful reformist or whether we are in for a standoff and exacerbation of the political situation.

One should admit, however, that it is up to the president whether he will have enough resolve to stay on his course in spite of all possible obstacles, and whether President Kuchma will avoid mistakes made by Prime Minister Kuchma.

Moroz Assesses Kuchma's First 100 Days in Office

WS2410130994 Kiev KIYEVSKIYE VEDOMOSTI in Russian 19 Oct 94 p 3

[Statement by Ukrainian Supreme Council Chairman Oleksandr Moroz; place and date not given: "The President Was Pushed Toward Confrontation With the Parliament. He Resisted."]

[FBIS Translated Text] There is one interesting aspect to the first 100 days of Leonid Kuchma's leadership. I am not going to assess his actions in all other aspects, because I believe that this is the president's matter. He has been using his rights properly. Moreover, we have held consultations regarding many issues. I therefore believe that there is no need to analyze his actions. One aspect is extremely interesting, however. It relates to the balancing on the verge of confrontation between the president and the Supreme Council. There have been attempts to push Leonid Danylovych toward radical actions in this regard, by the media themselves, or in the media, by certain people from the president's entourage or those, from Ukraine or abroad, who would like to see such a confrontation. In my opinion, the main feature of his "100 days" is the fact that he has refrained from taking such steps. I therefore believe that this is one of the president's most significant achievements. In terms of the state's integrity and coordination of the authorities' activities, this is very important. The 100 days were crowned by a report delivered in the Supreme Council. I think that the process of balancing continued while the document was being drafted and positions were being coordinated, which was also the essence of this process. However, the process is not yet over. The 100 days have passed. The report will be discussed tomorrow. The report as a whole, as a strategy, concurs with the Supreme Council's intentions. Regarding certain current issues, however, there will a discussion on principles, and I would like, and I believe that both the president and the Supreme Council find enough grounds for joint actions, or at least, that tactical disagreements do not affect the unity of actions aimed at implementing his other plans. I believe in the president. I believe that this will be exactly what happens.

Masol To Hold Talks With Lugansk Coal Producers

LD2410223894 Kiev UNIAR in Ukrainian 2100 GMT 24 Oct 94

[FBIS Translated Text] Kiev, 24 Oct—Ukraine's Prime Minister Vitaliy Masol will pay a working visit to Lugansk Oblast on 25 October where he is planning to hold a conference with coal enterprises executives.

The prime minister will attend the launching ceremony of a joint Ukrainian-German meat processing facility in Novopskovsk Rayon.

Defense Committee Head on Fleet Division, Crimea

WS2410130794 Kiev VYBIR in English 1846 GMT 23 Oct 94

[Interview with Volodymyr Murkhin, chairman of the Supreme Soviet Defense and National Security Committee, identified as "V.M.," by VYBIR correspondent identified as "UPressA"; place and date not give— from the "Current Interview" feature]

[FBIS Transcribed Text] UPressA—What are the grounds for the statement of the Ukrainian delegation during the negotiations on the split of the Black Sea Fleet in respect that Ukraine should own 96 percent of the fleet?

V.M.—This statement was caused by an extremely strong position taken by Russia at the negotiations. The matter is that after the agreement on 50/50 split of the Black Sea Fleet reached by our president, the experts were only to fulfill this decision. But the Russian party wanted to make the split so skillfully that Ukraine would have had nothing. It cannot go that divided by two results in nil.

UPressA—This means that Ukraine came back to the position it has in 1991—Ukraine should possess 16.4 percent of all the fleets of the former USSR?

V.M.—This is a wrong understanding. According to our Constitution, international agreements must be ratified in the parliament to come into force. No agreement between the president was approved in the parliament. Thus, Ukraine did not came back, but remains at the positions it had in 1991—it has to possess 16.4 percent of all the navy of the former USSR.

UPressA—Why doesn't Russia agree to the Ukrainian variant of how to split the Black sea fleet?

V.M.—I do not consider this way. There just go on difficult negotiations on the expert level. It is natural that every commander wants this division belongs either to Ukraine or to Russia. It looks like a divorce between a wife and a husband. Nonetheless I hope all these problems will be settled.

UPressA—Can it be that the mistake is that the negotiations are held by experts?

V.M.—No. There is no doubt that experts must agree first. By the way, there are highly qualified and known people among them. For example, the Commander-in-Chief of the Ukrainian Navy. We trust in experts. The problem is that they, as military men, are difficult to come to a compromise when the state interests are concerned. Besides, Russian experts have a definite task of their government, and they try to fulfill it up to the final point, but this is not possible.

UPressA—Are the experts be to blame in postponing of the settlement of this problem?

V.M.—I consider the presidents are to blame. They cannot come to a consensus on those questions, which can be settled only by them and nobody else. The split of the Black sea fleet today is purely a technical problem.

UPressA—Will the leadership of the Crimea participate in settlement of this problem?

V.M.—What are you taking about? The Crimea is a part of Ukraine. This question is not discussed as it is, a part of a country does not have a right to take part in international negotiations.

UPressA—Make a commentary on Yeltsin's statement that he is not going to visit Kiev until a principle decision on the Black sea fleet is taken?

V.M.—There will be a visit, but probably of another President of Russia.

Kravchuk on Relations, Operations in Parliament

WS2410130494 Kiev VYBIR in English 1846 GMT 23 Oct 94

[Interview with Leonid Kravchuk, former president of Ukraine and current people's deputy, identified as "L.K.," by VYBIR correspondent identified as "UPressA"; place and date not given—from the "Current Interview" feature]

[FBIS Transcribed Text] UPressA—Now there is almost a fight near the parliamentary rostrum —is it poor leadership or some specific features of the present parliament?

L.K.— Until present I thought the parliament is becoming less politically oriented. But now the political question is submitted for discussion in the parliament, which makes the political opposition stronger. In the past, when the parliament wanted to avoid settling some problems, political issues were on agenda, which evoke counteraction and fruitless discussions.

UPressA—Do you think it was necessary for the deputies to raise again the question on re-establishing of the Communist party of Ukraine?

L.K.—In civilized countries the parliament never discuss legacy of a decision taken by this or another organ. This must be settled in court, in our case in the Constitutional court. If there is enough sober sense to establish this court, and submit this question there, it would be a proper step. There is no sense to make a political tribune out of the parliament. Extreme political opposition in the parliament prevents from work. Statement like those to cancel the Communist party can be made, but it should be done properly, and in accordance with the law. Without violations of the parliamentary regulations, the Constitution of Ukraine. Now everything is violated. And why not to revote now. They (left- oriented) are as if they are 5 in number. What are they afraid of? They say the Communist party is different now. But why then they wand to be successors of the previous communist party?

UPressA—Do you think the MPs will approve the program proposed by the President?

L.K.—Why do you put a question like that? Meanwhile it is necessary to vote on draft laws prepared by the President.

UPressA—What questions do you consider to be of priority?

L.K.—First of all it is necessary to take a pack of laws concerning the credit-banking system. I am for reform in the agrarian areas. It is necessary for the land to become a commodity. We must continue privatization immediately, no matter how strict control is exercised.

UPressA—100 days have passed—how do you estimate the activities of President Kuchma as the ex-President?

L.K.—There is no good to estimate activities of the president taking into account external factors. A building cannot be constructed for 100 days. The situation cannot be radically changed for 100 days. And if it is necessary to change everything radically? If the parliament has enough strength and courage to realize in laws the program proposed by the president, and the president has enough power to fulfill them with the executive power—I am sure we will move forward. It is impossible to say that Kuchma is to blame for everything, the way now some speak about me, in this case we will never come to real reasons. Reasons are to be found on some deeper level. Now some shout out—you will come to court. It is possible to come to court, to be convicted, to be executed. But this is not serious.

Rebirth Party Warns of 'Revanchist' Moves by Left Wing

WS2410130894 Kiev VYBIR in English 1846 GMT 23 Oct 94

["Statement" issued by the Ukrainian Party of Democratic Rebirth in Kiev; date not given]

[FBIS Transcribed Text] The Kiev Organization of the Party of Democratic Re-Birth of Ukraine expresses its worry concerning revanchist tendencies, which have become stronger in the left factions of the Supreme Council of Ukraine. Attempts to cancel the prohibition of the Communist Party of Ukraine—the Communist Party of the Soviet Union, which is to blame in death of many millions of citizens of Ukraine (and in fact—to take to a possession the former property of the Communist Party), attempts to initiate the question on reconsideration of the state attributes and symbols can cause nothing more, but a destabilization of the situation in Ukraine, push the country to the edge of the final collapse. The Kiev Organization of the Party of Democratic Re-Birth of Ukraine is decisively against activities undertaken by the communists and socialists, call upon all democratic forces to support the provisions of the report made by the President of Ukraine regarding economic and social policy directed at profound reforms in all spheres of social life.

Government Ordinance on Prices

LD2410200194 Moscow INTERFAX in English 1850 GMT 24 Oct 94

[FBIS Transcribed Text] The Ukrainian government made public its ordinance of October 21 on pricing in the context of economic reforms under which certain prices and tariffs will be liberalized while state control over prices of the products and services of natural and some non-natural monopolies will be retained.

Limits are imposed on the prices and tariffs of products and services. In particular, the ceiling of the wholesale price of coal and coal products for industrial purposes will be set at 1,030,000 karbovantsi per ton (earlier, 750,000 karbovantsi) while that on the retail price for the population will be 300,000 karbovantsi per ton (48,000).

The list of products not covered by controls over the level of profitability now includes, in particular, beer, soft drinks, cognacs and fine wines.

The list of products the changes of whose prices and tariffs has to be declared will be reduced by at least 30 percent. The Economics Ministry is ordered to make this list within 10 days.

The powers of the executive bodies in fixing the prices and tariffs of certain products have been outlined.

The Economics and Finance Ministries will revise the subsidies of certain kinds of goods and services.

Asked by Interfax-Ukraine to comment on the document, Deputy Economics Minister Viktor Kalnik said that it took into consideration the increasing wages, falling production and the need to unify the exchange rate of the karbovanets.

He said that the consumer basket price is expected to increase 2.1 times before the end of the year. The wholesale prices will increase 2.4 times, in particular for agricultural goods 2.9 times.

Unification of Currency Exchange Rates Planned

LD2410200694 Kiev UNIAN in Ukrainian 1815 GMT 24 Oct 94

[FBIS Translated Text] Kiev—Ukraine's National Bank [NBU] Chairman Viktor Yushchenko and Prime Minister Vitaliy Masol have signed a resolution on the unification of currency exchange rates, UNIAN learned on 24 October. According to an NBU official who asked not to be identified, the document is currently being appraised by legal experts at Ukraine's Ministry of Justice and will be published as soon its conformity with Ukraine's laws is confirmed. According to the same source, the resolution changes not the legislation but the binding acts of the Cabinet of Ministers and the National Bank. Apart from measures to unify currency exchange rates, it also introduces an upper limit on loans and some liberalization of prices. These measures will be taken in line with the memorandum signed by Ukraine and the International Monetary Fund.

One clause of the joint resolution by the National Bank and the Cabinet of Ministers introduces a single dollar exchange rate against the karbovanets. According to sources close to the National Bank, as soon as the resolution takes effect the official dollar exchange rate will equal the one set by the last dollar trading at Ukraine's Interbank Currency Exchange and will fluctuate accordingly.

Edict Issued on Housing for Servicemen

LD2510093494 Kiev UNIAR in Ukrainian 2100 GMT 24 Oct 94

[FBIS Translated Text] Kiev, 24 Oct—The president of Ukraine has issued an edict on measures to provide housing for servicemen and members of their families. The document envisages support for the initiative of Councils of People's Deputies of Dnepropetrovsk, Donetsk, and Kharkov Oblasts, and also Odessa city council, with regard to local authorities providing apartments for servicemen.

Ukraine's Cabinet of Ministers and Ukraine's Defense Ministry have been charged with elaborating a plan of measures to implement this presidential edict.

Labor Party Supports Kuchma's Economic Policy

WS2410131194 Kiev VYBIR in English 1846 GMT 23 Oct 94

["Statement" issued by the Executive Committee of the Ukrainian Labor Party in Kiev; date not given]

[FBIS Transcribed Text] Everybody of us understands that the economic, sociopolitical situation is getting worse. Unemployment has come to many families. At the same time some political forces distract the citizens of Ukraine from realities, counteracting any constructive proposal concerning ways out of the crisis.

It happens the same way now, after President Kuchma's [11 October] speech in the Supreme Council. In spite of anti-crisis measures proposed by the President, leaders of some factions, some deputies have come to hysteria.

The Executive Committee of the Labor Party states that the concept in general and the main provisions of the President's speech coincide with the principles of our party and, thus, receive our support. We also consider it is time to come to real reforms, which will give better life to working people and will lead our society to the way of the world development tendencies.

We call upon politicians of sober sense, progressive forces of our society to promote reforms in the economy, support the President's constructive steps.

Navy Denounces Black Sea Fleet Officers' Conduct

LD2410193594 Kiev UNIAN in Ukrainian 1620 GMT 24 Oct 94

[FBIS Translated Text] Sevastopol [no date as received]—The Navy press center circulated a statement on 24 October, which says: "The chances of achieving mutually acceptable decisions at the Ukrainian-Russian negotiations on the Black Sea Fleet have lately increased.

"Unfortunately, certain Black Sea Fleet officials continue to create tension between the two fleets using, every excuse to aggravate the situation."

The press center reports that Major Ivan Volodin of Sevastopol garrison commandant's office together with the patrols who were assigned to investigate an incident the night before, instigated a fight involving a group of Ukrainian Navy Institute cadets on 23 October near the township of Gollandiya. One cadet was seriously injured and several people hurt. According to the press center, the incident looks like an attempt by some Black Sea Fleet officials to aggravate relations and attach a political meaning to routine facts of small significance.

The Ukrainian Navy press center declares that the navy command has always stood and continues to stand for the improvement of relations between the two fleets. "The increase of confrontation and artificial aggravation of tension serves the interests of those who wish precisely that. The Ukrainian Navy command and its entire personnel stand for cooperation. There is no doubt that the Black Sea Fleet will also come to appreciate its necessity," says the statement.

New Left-Wing Radical Group Formedt

LD2410192394 Kiev UNIAN in Ukrainian 1410 GMT 24 Oct 94

[FBIS Translated Text] Kiev [no dateline as received]—"The Executive Committee of the "Pryama Diya" student's trade union welcomes the warning strikes of the Free Trade Union of Engine Drivers of Ukraine's Railways, the teachers' strikes in Kiev and Lugansk Oblasts, and the decision of the all-Ukrainian Seminar of Chairmen of Oblast Councils about the intention to create a republican strike committee," the statement from "Pryama Diya," which was circulated on 24 October, states.

The Executive Committee of the trade union called on "all healthy elements, both trade unions and the rest of the student organizations, to join the just liberation war against the president, the Supreme Council, and the Cabinet of Ministers of Ukraine" which "Pryama Diya" announced to mass media representatives on 14 October. "The decisive offensive requires that we unite our forces. So long as the masses take their fate into their hands, no pot-bellied bourgeois Uncle (Sam?), apparatchik, or dollar lad from the official party or trade union will help them," the statement reads.

"Pryama Diya" is a left-wing radical organization that has announced that in its actions it will use the "experience of the Khmer Rouge, the Kurdish guerrillas, and revolutionaries of the 19-20th centuries." The organization does not share the views of any of Ukraine's political parties. "Pryama Diya" acts anonymously and does not declare the size of the organization nor the names of its members. According to UNIAN, members of the left-wing Youth Union (LOM) form the basis of the trade union.

Meshkov: Dismissing Parliament Can Restore Stability

LD2410191294 Moscow INTERFAX in English 1732 GMT 24 Oct 94

[FBIS Transcribed Text] Holding a referendum on dismissing the present Crimean parliament is the only measure which can restore the legal status-quo in Crimea, Crimean President Yuriy Meshkov said in an exclusive interview with Interfax. He said the people themselves had initiated the referendum. He added that initiative groups had been created which had begun collecting signatures in favor of the referendum.

On October 5 the Crimean parliament amended the Crimean Constitution limiting the powers of the president. In particular, the president was deprived of the power to form and head the government.

"An attempt was undertaken to transform a presidential republic into a parliamentary one. As the powers have failed to reach accord, we must appeal to the people," Meshkov said.

Meshkov said he regretted that by the moment the referendum took place Crimea would be "criminalized." Meshkov said he believed that the new government of Anatoliy Franchuk reflected the interests of "a group of criminalized entrepreneurs in the parliament." He said these entrepreneurs exercised a decisive influence on the conduct of the present chairman of the parliament and controlled the situation in the republic.

Meshkov said he had information proving that for some members of the government a "place in Switzerland" had been already prepared "in commercial structures similar to Siabeko."

When asked if he could name concrete people involved in this, Meshkov's advice was to look through the ROSSIYA newspaper which had published material on the instruction to sell $10 million to the son-in-law of Leonid Kuchma, who is also the son of Franchuk, at a fixed exchange rate which was three times less than that on the currency exchange given by Zvyahilskyy (former acting Ukrainian premier).

Meshkov said this was a "tail by which all the rest could be drawn out."

Ternopol Rally Protests Lifting of Ban on Communist Party

LD2410183494 Kiev UNIAN in Ukrainian 1410 GMT 24 Oct 94

[FBIS Translated Text] Ternopol [no dateline as received]—A mass assembly of citizens took place on 23 October under the slogan "No to communism in Ukraine." At the assembly representatives of the main political parties and deputies of a democratic frame of mind from the oblast and Supreme Councils condemned the attempt by the left-wing of the Ukrainian Supreme Council to revoke the decrees of the Supreme Council Presidium on banning the Communist Party of Ukraine. Stating that "a monster, whose name is communism, has raised its head in the highest legislative body of our state," Bohdan Horyn, a candidate for people's deputy of Ukraine in Galitskiy constituency (Ternopol) and director of the Institute of Diaspora Research, said: "Ivan Franko [Ukrainian poet], who studied in detail the works of Marx and Engels in the original, warned us of the threat to the world from communist ideology and its practice and prophesied: If a new society is built on the basis of this concept, then "a people's state would become a huge people's prison."

In the resolution, which was adopted, the participants of the rally called on the oblast council of people's deputies, in the event of the revocation of the above-mentioned decrees of the Supreme Council Presidium, not to recognize the force of this decision on the territory of Ternopol Oblast, and to come out in favor of not giving the KPU [Communist Party of Ukraine] the opportunity to carry out its activity.

Belarus

Results of Prime Minister's U.S. Talks Viewed

WS2510091294 Minsk NARODNAYA GAZETA in Russian 21 Oct 94 p 1

[Report on news conference by Prime Minister Mikhail Chyhir by Vladimir Samoylov; place and date not given: "IMF Is Twisting Our Arms for Our Own Benefit"]

[FBIS Translated Text] A Belarusian Government delegation has recently visited the United States where our Prime Minister Mikhail Chyhir delivered a speech at the 49th UN session. He later met with UN Secretary General Butrus Butrus-Ghali.

"We have asked him," said Mikhail Chyhir at the news conference, "to regard Belarus in two aspects—as a founding-member of the United Nations and as a state which has quite recently received its independence and has yet not stood on its own two feet in economic terms."

"We have addressed the UN members to render us economic assistance in connection with the Chernobyl disaster and the 1994 drought."

Talks with the IMF have been very difficult. It seems to me that the IMF has simply twisted the arms of our representatives. We had to agree that our budget deficit in 1995 will stand not at 4.5 percent—according to our experts' estimates—but at 4 percent, according to IMF demands. The IMF demands that our inflation rate in late 1995 be decreased to 1 percent. Of course, this is not at all bad, especially, if we knew how to achieve such results.

Why is IMF support so important for us? IMF is a kind of traffic light which regulates busy international economic traffic. When the red light is on, potential investors—given dozens of years of negotiations on cooperation and investments—will not undertake any serious moves. It seems to me the yellow light is for Belarus. Switching to the green light depends on whether we are able to halt the spiraling inflation rate. Unfortunately, we have no good medicines except for poultices .

Our delegation also met with the U.S. secretary of agriculture. This department has extended us a line of credit of $27 million to buy soybeans and corn. That implies that this money was left in the United States. Our delegation then asked to extend not only preferential credits to us but free financial assistance as well. We can hope to receive credits, but we should hardly expect that this department would render us any considerable financial assistance because the U.S. Congress has cut the corresponding paragraph of expenditures from the department's budget.

Unfortunately, no single well-known U.S. company has invested in our economy. This is explained, first of all, by the aforementioned reasons. Our economic relations with the United States exist only on paper. For example, the Agency for Trade and Development is going to allocate $120,000 to work out a technical and economic feasibility study for the development of our pharmaceutical industry. A company from Detroit is planning to cooperate with our engine-building factory. There are some other proposals as well.

I asked whether the government would resign if it does not fulfill its promises to curb the inflation rate. Mikhail Chyhir said that inflation is not the main evil. There are cases when production increases when the inflation rate is high. The most important objective is to not decrease the standard of living of the people.

The situation is difficult. I hope that the incumbent government will cope with this task. What will the IMF say then?

Lukashenka, Chernomyrdin Discuss Interstate Pact

WS2410122494 Minsk Radio Minsk Network in Belarusian 1100 GMT 24 Oct 94

[FBIS Translated Text] A conversation between Belarusian President Alyaksandr Lukashenka and Russian Prime Minister Viktor Chernomyrdin lasted two hours. Aside from the president, it was attended by Belarusian Prime Minister Mikhail Chyhir, Deputy Prime Minister Mikhail Myasnikovich, Minister for CIS Issues Uladzimir Zalamay, and Belarusian Ambassador to Russia Viktar Danilenka. Those were extremely difficult negotiations—pointed out Alyaksandr Lukashenka while commenting on the results of the meeting. The debt of Belarus for power resources supplied by the Russian Gazprom concern became the stumbling block. According to the participants in the negotiations, Alyaksandr Lukashenka displayed personal courage, when he found the strength to tell Chernomyrdin that there is a share of the Russian Cabinet of Ministers' guilt in the economic hardships of Belarus. While Moscow was watching to see what kind of man Lukashenka was, things were at a standstill and the volumes of trade exchange dropped. An agreement was finally reached to maximally activate work on drafting and signing an interstate agreement between Russia and Belarus, accompanied by dozens of other agreements.

As became known from Lukashenka's words, the progress of preparations will be controlled at the highest level every ten days. Finally, Boris Yeltsin and Viktor Chernomyrdin will visit Minsk to sign the principal document.

No Need Seen for Alternatives to CIS Alliance

LD2410181394 Moscow INTERFAX in English 1643 GMT 24 Oct 94

[From the "Presidential Bulletin" feature: No. 206 (696): compiled by Nikolay Zherebtsov and Andrey Petrovsky; edited by Vladimir Shishlin]

[FBIS Transcribed Text] Belarussian [Belarusian] President Aleyaksandr Lukashenka said at a news conference in Minsk that there was no need in alliances alternative to the CIS. According to him, that was why he had suggested striking the discussion of a Eurasian Union [EAU], proposed by Kazakhstan's Nursultan Nazarbayev, off the summit agenda. He regretted that Nazarbayev had been offended by this.

Lukashenka emphasized that he was a staunch supporter of integration of former soviet republics even though he was wary of the EAU.

He was disappointed that there were no tangible results of CIS activities and made it clear that such meetings would be a waste of time if this trend continued.

Lukashenka was not a bit sorry that the CIS Inter-State Economic Committee [ISEC] would be headquartered in Moscow rather than in Minsk. He said that the committee's unwieldy personnel of 700 would be a burden to his country.

He added, however, that having such a prestigious body headquartered in Minsk would be a plus for Belarus and in line with the CIS Carter. This was why he could not change his earlier position at the summit.

Lukashenka was outraged by Russian president's nomination of Vyacheslav Kebich, former Belarussian prime minister and Lukashenka's rival in the presidential race, for chairmanship of the ISEC collegium. Lukashenka believed that this idea had been hatched by Russian Prime Minister Viktor Chernomyrdin, a friend of Kebich's.

Lukashenka's First 100 Days in Office Reviewed

WS2410150094 Minsk ZVYAZDA in Belarusian 20 Oct 94 pp 1, 3

[Interview with Presidential Administration Chief Leanid Heorhiyevich Sinitsyn by Vyachaslaw Zyankovich; place and date not given: "Belarus Has Decisively Chosen Market Orientation"]

[FBIS Translated Text] Presidential Administration Chief Leanid Heorhiyevich Sinitsyn is summarizing the results of 100 days in office of Belarusian President Alyaksandr Lukashenka. He answers questions from our correspondent Vyachaslaw Zyankovich.

[Zyankovich] **Leanid Heorhiyevich, 100 days have passed since the presidential inauguration. Which latest developments, in your opinion, are the most important?**

[Sinitsyn] The most significant development is that the leadership of the state has specified its position in detail: We are heading toward a market economy. This idea proceeds from the presidential program of urgent measures to overcome the economic crisis in the Republic, which was recently adopted by the Supreme Soviet. The Lukashenka team over the last three months has been able to develop and draw up a model for profound economic changes in Belarus. The implementation of several our ideas, however, began back in August.

The fact that the new leadership of Belarus has worked out a program for the development of mutual relations with international organizations, including those from Russia, is of no less importance to us.

We thought for quite a long time that we were strengthening the union with our eastern neighbor. This proved to be, however, a myth, an illusion. Bilateral relations between our states have not been systematic, constructive, or far-reaching. The previous leadership, in addition, had not only failed to implement economic reforms, but printed a great deal of unbacked money and issued unjustifiable credits. Due to this, the monetary unification of Russia and Belarus in 1994 became impossible because Russia has quickly moved toward market reforms, while Belarus is virtually choking from runaway inflation. The inflation rate in Belarus exceeds that of Russia by several times.

I would like to emphasize that the economic lagging of Belarus—harming our integration with fraternal Russia—is not connected with the Lukashenka team. The train of the Belarusian economy has been derailed by the previous leadership and we will have to pay off for its policy for years to come. It is impossible to quickly stop a mechanism that has been in operation for several years.

We have come to the understanding that integration with Russia—Lukashenka's sincere wish—can only be achieved if inflation in Belarus is halted and brought in line with that in Russia, or, in other words, when the mechanism of market reforms begins working in Belarus.

I would like to emphasize that over the last three months the Lukashenka team has adopted several measures to instill order at enterprises, to raise workers' discipline and the personal responsibility of managers of large industrial enterprises. This has proven to be somewhat efficient. For example, according to statistic data, the drop in production in August 1994 was only 5 percent as compared with the same period last year. Undoubtedly, we cannot increase production by strengthening personnel's discipline only.

[Zyankovich] **Tell me, please, if it were possible to turn back the "wheel of history" and return to our past, would the Lukashenka team have adopted the decisions similar to those you have adopted during Lukashenka's first 100 days in office?**

[Sinitsyn] I believe, it will. We would be, however, more cautious with select issues. For example, in my opinion, the recent edict regarding the increase in prices for Belarusian vodka has not been thoroughly thought over. The acting legislation has not been studied and the consequences of this move have not been taken into consideration. As a result, prices for Belarusian vodka have become higher than for imported alcohol. We have not managed, however, to limit the import of foreign vodka to Belarus. Our vodka has become noncompetitive and our budget receipts have decreased correspondingly.

This case gave the presidential team an idea to strengthen the role of analytical groups in executive bodies. Every draft initiative should be studied in detail. In addition, the bodies conducting control over the implementation of the decisions by the president and the government should be strengthened as well.

[Zyankovich] **A Committee for Combating Corruption in Power and Management State Bodies, headed by Yuryy Malumaw, has been established within the Presidential Administration. As far as I know, there exists a legislative norm, according to which members of the aforementioned committee should carefully study the service record of an individual to prove his adherence to the law before he is nominated to a high state position. No person can be nominated to a top position without the committee's agreement.**

[Sinitsyn] Yes, this corresponds with reality. Due to the fact that the fight against corruption and light-fingered state officials was one of A. Lukashenka's election promises, we have established this agency. This agency—work on its establishment is still under way—coordinates, in fact, power ministries' activities regarding their efforts against corruption among state officials.

Judging by letters to the Presidential Administration, the people are positively assessing the establishment of this committee.

[Zyankovich] **Are not you scared that this committee, which in fact influences the staffing policy of the president, could in some time appropriate more extensive powers and become a body specifying the state policy?**

[Sinitsyn] Do not be afraid! Anticorruption Committee Chairman Yuryy Malumaw will not assume the aspect of Lavrentiy Pavlovich Beriya. This will be guaranteed by the law—which is currently being drafted—regulating the work of this committee in detail.

[Zyankovich] **An agreement—according to which Russia will export equipment for border facilities to Belarus at Russian domestic prices—was reached on 6 October between Belarus and Russia. This price is twice as low as previous prices. Lithuanian Prime Minister Adolfas Slezevicius came to Belarus on a working visit on 7 October. The issues regarding the delimitation of state borders between Belarus and Lithuania were discussed during his meeting at the "Sosny" governmental residence near Naroch Lake. Is there any link between these developments?**

[Sinitsyn] Russia has reduced prices for equipment for border facilities within the framework of our general concept of mutual relations. It would be unjustified to separate this issue and discuss it separately from a package of items.

The issue regarding the delineation of state borders between Belarus and Lithuania would have emerged sooner or later. As far as I know, there are no problems regarding this issue, except for one small railway station in Gadutishki. Construction of this transportation center in the former USSR was financed by the Belarusian Railway. It was later transferred under the financial jurisdiction of the Lithuanian Railway. So, a border question has emerged. There are a few approaches to resolving this issue. According to one of them, this railway station should become a free economic zone and be jointly operated by the two sides. The second approach foresees the transfer of the station to Lithuania, while Belarus could lease it for 99 years and pay a symbolic price for the land under the sanatorium "Belarus" in Druskeniki. Documents—stating that the sanatorium "Belarus" belongs to Belarus—are also being drawn up. I would not like to anticipate developments and assess the current situation. A special intergovernmental delegation for the delineation and demarcation of our state borders has been established. It should arrive at a decision in the immediate future.

Popular Front Discusses First 100 Days

WS2410122894 Minsk Radio Minsk Network in Belarusian 1100 GMT 24 Oct 94

[FBIS Translated Text] The Belarusian Popular Front [BNF] Executive Assembly [Soym] has held its regular session, prompted by the nearing of the end of Alyaksandr Lukashenka's first 100 days in presidential office, during which the BNF, as is accepted in civilized countries, consciously refrained from any kind of criticism of the president's actions. The assembly members, along with experts from the BNF shadow cabinet, analyzed the programs and actions of the president, his administration, and the new Cabinet of Ministers. The BNF deputies will publish a declaration based on the results of the analysis in the press, pointing out the president's numerous strategic and tactical mistakes, which have led to the state's and the nation's economic decline. The Executive Assembly members also discussed the BNF's preparations for legislative elections and the creation of a bloc of democratic forces of Belarus.

Parties Submit Alternate Election Bill

WS2410113094 Minsk BELAPAN in English 1600 GMT 21 Oct 94

[FBIS Transcribed Text] Representatives of a number of democracy-oriented parties—the United Democratic Party of Belarus, the Belarusian Social-Democratic Hramada [Assembly], the Belarusian Agrarian Party, the Party of People's Accord, the Popular-Democratic Party of Belarus, and the Belarusian Christian- Democratic Union—have made their joint statement with regard to the draft law "On the election of people's deputies of the Republic of Belarus." They have submitted an alternative version of the draft law, which envisages parliamentary elections on a mixed proportional-majority basis. The above-listed parties maintain that due to the proportional system parliamentarians will be elected by the entire nation and not by a single constituency, and due to the majority system the parliament will become really professional.

Parliament Debates Ruble Denomination, Adjourns

WS2410112994 Minsk BELAPAN in English 1600 GMT 21 Oct 94

[FBIS Transcribed Text] At the morning sitting of the Supreme Soviet on 21 October, People's Deputy Henadz Kazlow declared that a group of lawmakers had started a collection of signatures so that the Constitutional Court may examine the correspondence of the decision on the denomination of the Belarusian ruble to the constitution. In particular, Kazlow suggested that the prime minister and the chairman of the National Bank submit the documents that could shed light on the authorship of the decision. Kazlow maintains that the tenfold decrease in the nominal value of the Belarusian ruble infringes upon the constitutional rights of millions of people, that is why "the state, under the control of the chief executive [as received], will have to give back their money, thus taking into account inflation", Kazlow said.

At the morning sitting, the parliamentarians discussed the draft law "on alternative service." In spite of the fact that work on the draft law has lasted for over nine months, in view of the forthcoming fall draft, many lawmakers backed up the opinion that the adoption of a law on alternative service may drive to disorganization in the Armed Forces of Belarus. Other deputies, in particular, Dzmitryy Bulakhaw reminded the parliamentarians that the right to alternative service was inscribed in the constitution. Not coming to terms the Supreme Soviet rejected the draft law.

Having debated a number of other bills, the Parliament went into a recess till November 8.

Scientists Growing 'Clean' Crops in Chernobyl Zone

WS2410140694 Minsk Radio Minsk Network in Belarusian 1300 GMT 24 Oct 94

[FBIS Translated Text] For several years now, specialists at the experimental facilities of the radiological-ecological preserve situated within the 30-km zone around the Chernobyl nuclear power plant, have been growing ecologically clean crops of grain, potatoes, and honeysuckle. This is achieved by fertilizing land with additional doses of mineral fertilizers and calcium derivatives. A program of environmental-friendly measures on contaminated land has recently been drafted in Homel Oblast, but huge resources are required to implement it. The State Committee for Chernobyl can only allocate one-fourth of the required funds, and many farms cannot afford to purchase the necessary volumes of fertilizers. Meanwhile, scientists have proven that a lack of fertilizers in soil increases the content of cesium and strontium in plants.

Kazakhstan

Nazarbayev on Government Priorities

LD2410180894 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] Kazakhstan President Nursultan Nazarbayev said he had set several priorities to the former Soviet republic's new government.

The government, headed by Akezhan Kazhegeldin, has to focus on determining priority economic reforms, working out a clear and consistent monetary policy, carrying out a drastic taxation reform and taking effective anticorruption measures, Nazarbayev said on Monday.

The president told a conference in Alma-Ata [Almaty], held to mark Kazakhstan's third anniversary of independence, that next year the Central Asian republic should have "a very austere, market budget in order to suppress inflation, bringing it down to 1 or 2 percent by spring." Only then would investment and output start increasing in the country, he said.

Nazarbayev said that, by establishing diplomatic relations with other nations and strengthening its national security, Kazakhstan had taken the first step towards becoming an equal world community member. Now the republic is beginning to materially step up its international cooperation and strengthen its global and regional positions, he said.

Nazarbayev said about $2 billion had been invested in the Kazakh economy and 19 credit lines opened in the past eighteen months. The republic had signed large-scale contracts with many foreign companies, including deals to develop large Kazakh oil and gas fields, he said.

Nazarbayev Address on Republic Day

LD2410123194 Almaty Kazakhstan Television Network in Russian 0700 GMT 24 Oct 94

[Speech by President Nursultan Nazarbayev marking Republic Day in Almaty on 24 October—recorded]

[FBIS Translated Excerpt] I am far from using this significant date to announce victorious reports as used to happen in the none too distant past. But I am also far from rejecting what has been experienced and achieved out of political night-blindness, which does not allow us, as they say, to see the wood for the trees. This by no means corresponds with my beliefs. I think that all Kazakhstan people who believe in the possibility of living with more dignity and who back the path of reforms share my point of view.

Therefore, I cannot understand and accept the stance of some of our opponents who with their hysterical moans create an image that is far from the actual state of affairs. If you think about this in its historical context then this is far more dangerous for social progress than specific economic shortcomings. Is it really not clear to some people that historical change in our country has already started? Kazakhstan has moved fairly far away from the crossroads of hesitations and chosen the course of activities that is the only right path under modern conditions—the route of social development. Establishing a civilized market has already achieved certain results.

Summing up the results today, one may note a number of undoubtedly positive moments. Above all we have managed, on the whole, to withdraw our own economy out of the economic complex of the former USSR without great political shocks. Formerly, 93 percent of our economy used to belong to the former center. A fairly objective assessment of the resource potential of our country has been conducted, priorities in structural investment, and financial and credit policy have been identified, and processes of denationalization and privatization are being developed.

It should be noted that we genuinely started our own economic policy and reforms in the country about a year ago with the introduction of our own national currency. A real account of the reforms should be started from that moment. It was not an easy step at all, one can say it now. Despite the pressure put on the government and the president from within and outside we succeeded in gaining time in order to carry out the necessary preparation for introducing our own national currency. Work took place over the previous two years to withdraw from the ruble zone and reduce to the minimum the losses of both the country and each Kazakhstan family. Certainly there were negative effects, but they were compensated by the establishment of our own currency, finance, and credit systems, and by mechanisms to control them. As a result the rate of the tenge over the past six months has been relatively stable, and fairly stable tendencies toward reducing inflation have been revealed. If at the beginning of this summer its level reached 46 percent, in July it was 24 percent, in August-September 13 percent, and last month was 9.5 percent.

Measures are being taken to develop enterprises and medium and small businesses. We already have 12,000 such enterprises, which employ almost 200,000 people. The total number of people working in non-state enterprises has already reached half a million. The range of products is becoming wider, including products that have never been made in the republic before. Positive changes are taking place in the republic's agro-industrial complex. Different types of ownership have become the reality and real owners of the land are emerging there. [passage omitted]

Unfortunately, there are not that many festive occasions in the lives of our people today. The reason is the acute economic crisis, the consequences of which have fallen upon people's shoulders. The country is in debt to its own citizens. Wages have not been paid on time at many enterprises and budget-funded organizations, pensions, student grants, and benefits have been delayed. At the same time we have had the freeing of bread prices—inevitable at this stage because all our neighbors did this long ago and our bread had become the subject of speculation and profit, which caused damage to Kazakhstan. Recognizing this, we have undertaken specific measures for the social protection of the population, in particular, of social strata on low incomes.

The rate of decline in production is still high. New methods, structural reforms and market institutions which were recently created are of no use and not effective. The state run enterprises are still paralyzed and insolvent. For these and many more reasons the budget is receiving less revenue than is needed to carry out the most important social programs. This was the main cause of a decision unprecedented in our history - the resignation of the whole Cabinet of Ministers.

In the first years after we gained independence the former cabinet did major and difficult work during the division of the state's property whilst carrying a huge burden on their shoulders. However it did not become a team of like-minded people and was unable to use its potential fully and concentrate on resolving the strategic tasks of economic development.

Now a new cabinet has been formed. For the first time in our young state's history the new cabinet swore allegiance to the people and to the president and to faithfully serve the homeland. It swore that all its power, knowledge and experience would be used for our republic's economic and spiritual development.

We need a new and integral economic policy. Therefore I have set the Cabinet of Ministers several urgent tasks, including working out national priorities for economic reforms and the mechanisms for its implementation by the state and private enterprise, banks and foreign investors. It is also necessary to establish a strict policy in the credit, fiscal and monetary spheres and to carry out rigid tax reform. It is time to really start fighting corruption. I think it is important to implement the main principles of foreign policy and foreign economic activities. And today we have to tell the people candidly that next year's budget must be very tough and based on the market economy in order to bring down inflation completely and have an inflation rate of 1-2 percent by next spring when there will be a rise in investments and in production. We have to do this, we have no choice but to do this. We should understand that. I am explaining that to the people. We are going to do all this not for the sake of some monetary policy, but for the purpose of improving people's lives.

Our priorities in foreign policy have already been marked out many times. I would just like to put proper emphasis on matters connected with this sphere. They are not always understood unambiguously. This last year is marked by a whole series of actions in the foreign policy sphere. These actions were profitable for Kazakhstan as well as for its foreign partners. Our republic put forward several proposals which were seized on by the world community. They concern integration, a meeting on measures of confidence on the Asian continent and the Eurasian union about which I will speak later.

Kazakhstan already resolved the first problems of entering the world arena, when the main task we had to do was to establish diplomatic relations with other countries and to strengthen state security. Now we have come to a new stage where the main task is to develop democratic and constructive partnership on a large scale, to cooperate effectively with all countries and to strengthen our own position and Kazakhstan's prestige on the global and regional level.

Our official visits to the United States, Turkey, Great Britain, Spain, Russia, Italy, Japan, and Saudi Arabia, and the visits of a number of heads of state to Kazakhstan have given very tangible results. Contacts with foreign countries at government level are also significant. Perhaps their meaning and significance for strengthening the statehood of the republic and promoting the reforms are not yet clear enough to some people. However, no doubt, they will have a great influence on the social, political and spiritual spheres of our people's lives today and in the future.

I will speak in detail about some of them. This year we signed three new important agreements with the Russian Federation at head of state level, more than 20 agreements at government level. All of them are aimed at extending cooperation, strengthening trust and friendship with our major and prior partner, the Russian Federation.

A charter on democratic partnership was signed in the United States this year. The foundations of cooperation between the United States and our republic in the fields of science and technology, education, security and conversion of the defence industry were laid out. Agreements on granting Kazakhstan most favoured nation status in economic cooperation and trade, in the finance and banking systems, and on lifting the restrictions on exporting goods made in Kazakhstan to the United States were reached.

Recently, a representative delegation of major U.S. businessmen who now have government guarantees underwriting their probable risks in implementing specific projects in Kazakhstan visited Almaty. That is very important. The United States is resolving the issue of establishing a foundation worth $100 million for supporting enterprise. The European banks are creating a similar foundation worth $150 million.

An historical accord has been achieved with our great neighbor China, which legally secures the Kazakhstan-China border. And this was a problem that the former powers failed to solve over many years. The Kazakhstan-China declaration confirmed the clause on not using nuclear weapons against our country. It is considered throughout the world to be a powerful break-through in reinforcing our security in the foreign policy sphere. As a matter of fact any foreign visit is only of a working nature and those who go with me know this well.

An intensive dialogue on major investment projects for cooperation in the international sphere was held in Japan with good results. The Japanese side is already starting to develop the Ekibastuz power stations, the friendship stations which connect us with China, as well as reconstructing the Pavlodar chemical works and other sites. The development of a project to construct an oil pipe-line within Kazakhstan is under way.

A national supreme school for state management similar to the one in Paris was set up in Kazakhstan after our visit to France. A number of joint ventures have emerged and a joint Kazakh-French commission on economic cooperation established.

During the recent visit to Turkey a decision was taken on mutually beneficial cooperation in developing oil and gas resources in our countries. On the Asian continent we have jointly started actively working on transport and communication problems which will give us other ways onto the world market.

In short the effect from each visit to other countries really is aimed at the welfare of the people of Kazakhstan and the profit of our partners. Over the last 18 months alone investments worth around two billion dollars were attracted into the economy of Kazakhstan, about half a billion of which have already been used. Nineteen credit lines have been opened and we have used some of the funds received through them to purchase medicines, supplies of which in Kazakhstan had completely dried up because we did not have our own pharmaceutical plants. Over 1,500 joint ventures are operating in the republic. We will feel their input, of course, not today but in the near future. [Passage omitted]

We have always maintained and will maintain the development of good-neighborly relations with friendly countries of the near abroad which are historically close in spirit. We have concluded an agreement with Ukraine which meets the interests of both peoples. You know about our agreement with Uzbekistan and Kyrgyzstan on the creation of a Central Asian economic area without borders, customs and other barriers. The executive committee of this interstate council is functioning as well as its united bank for the development of and cooperation between these countries.

At the meeting of the CIS heads of state at last an agreement was reached on setting up a promising interstate economic committee, which I have been talking about for two years. We also signed an agreement on establishing a payment union the day before yesterday in Moscow. And literally the day before yesterday the memorandum of the council of CIS states was adopted on the main directions of the integration development of the Commonwealth and its operating plan. And all the presidents frankly noted that the new integration initiatives put forward by Kazakhstan induced them to sign these documents. Kazakhstan took the most active part in the preparation of these documents. The striving for integration is the central direction of our foreign economic activities.

If the spirit and the letter of the agreements signed in Moscow are implemented one can see that all these agreements are the realisation of the ideas which lie at the basis of the project to create an Eurasian Union. These proposals are not cabinet proposals coming from Almaty as certain people think. I am firmly convinced and know they come from the people, from the need to create genuinely effective unification of the sovereign states which will be capable of resolving the tasks of raising the standards of economic and cultural cooperation in human contacts. The unification principles themselves exclude the possibility of the reanimation of the former state, the political and economic foundation of which was based on the totalitarian regime and a planned economic system which lost the competition in world economics. That is why when I hear fears of this kind I doubt if they have really read the project for creating a Eurasian union.

Whatever the reaction of some politicians to the idea of creating an Eurasian union is, Kazakhstan will and must continue to increase the integration efforts because good intentions lie at the basis of it. I hope that the multi-ethnic people of Kazakhstan will support them as well. We cannot lose the historic chance for integration, preventing conflicts and consolidating good-neighborly relations with fraternal nations, so at the latest in the 21st Century we are in step with all those states who see their future in unification and integration.

I have spoken about some of the problems of the social and political life of the republic. In order to formulate them in condensed form I would like to cite the Russian poet Konstantin Balmant who didn't accept the 1917 October Revolution. He said: This world lives not through revolutions, but evolution. Harmony, order, peace and consolidation, respect for each other, understanding each other, political stability, respect for the rights of all people irrespective of nationality or religion, that is what we need now. Inner and external discipline and conscience, this is the only concept which we need to defend with all our might. It is the notion of motherland which is above all persons, classes and individual tasks. Everything sinks in this notion and it does not matter whether you are a merchant, a peasant, a worker or a poet, a soldier or a general. [Passage omitted]

Dear compatriots, let me once more congratulate you upon our common, bright holiday. I sincerely wish you happiness, success, health and prosperity.

Nazarbayev on Setting Up Interstate Economic Committee

LD2410174894 Moscow INTERFAX in English 1538 GMT 24 Oct 94

[From the "Presidential Bulletin" feature; compiled by Nikolay Zherebtsov and Andrey Petrovskiy and edited by Vladimir Shishlin]

[FBIS Transcribed Text] Kazakh President Nursultan Nazarbayev believes that the setting up of an Inter-State Economic Committee [ICES], a first transnational body in the CIS, is evidence that the Commonwealth is very much alive. He said that this step fit the idea of a Eurasian Union. In Nazarbayev's view, the ICES could be chaired by somebody not coming from the old structures but a well-known personality in the CIS, such as Grigoriy Yavlinskiy (IF Note: a leader of the Yavlinskiy-Boldyrev-Lukin group in the Russian State Duma, a well-known economist and a coauthor of the Treaty on Economic Community of the former USSR's republics in 1991).

Even though the CIS summit only took note of the Eurasian Union project, its ideas have played and will play a significant role in the integration of the Commonwealth member nations, Nazarbayev thought.

He said that he would send a full text of the Eurasian Union project to parliaments of the CIS member nations and that the integration would be further discused at the next summit meeting, tentatively scheduled to be held in Almaty on December 23.

Russian-Kazakh Military Cooperation Treaty

LD2410215494 Almaty SOVETY KAZAKHSTANA in Russian 19 Oct 94 p 2

[FBIS Translated Text] Treaty Between the Republic of Kazakhstan and the Russian Federation on Military Cooperation.

The Republic of Kazakhstan and the Russian Federation, hereafter referred to as the two parties,

being guided by the Treaty on Friendship, Cooperation and Mutual Assistance between the Republic of Kazakhstan and the Russian Federation signed on 25 May 1992,

taking into account previously signed accords on cooperation in the field of defense within the Commonwealth of Independent States [CIS] and on a bilateral basis in the interests of ensuring collective security,

proceeding from the necessity of a strict and consistent fulfillment by the two sides of their obligations arising from the Strategic Arms Reduction Treaty of 31 July 1991 and the protocol to it signed on 23 May 1992 in Lisbon, hereafter referred to as START I and the Lisbon Protocol respectively,

acknowledging the necessity of combining their efforts and coordinating their activities to ensure a reliable joint defense within the framework of a common military-strategic area,

expressing the aspiration to attach a new quality to and guarantee a legal basis for military cooperation between the two parties,

have agreed the following:

Article 1

For the purposes of this treaty the following terms mean:

"Strategic nuclear forces"—military formations that include formations, units, establishments, organizations, and installations which possess as part of their weaponry or store strategic nuclear weapons and parts to ensure their functioning.

"Unified military formations"—units and formations of the Armed Forces of the Republic of Kazakhstan and Armed Forces of the Russian Federation which are deployed by the two parties to solve joint defense issues.

"Defense installations"—test grounds, military installations, sites of industrial representatives and battle-fields located on land on the territories of the parties which may be used by the parties jointly or transferred by one party, including on lease terms, to another party, to be used for military purposes with the aim of consolidating the defense capability of both parties.

"Carrier"—an intercontinental ballistic missile (IBM), a heavy bomber, an air-launched cruise missile.

"Nuclear ammunition"—the live part of an IBM or air-launched cruise missile that contains a nuclear charge.

Article 2

The two parties confirm their obligations on a friendly basis for inter-state relations on principles of mutual respect for state sovereignty and territorial integrity, inviolability of borders, peaceful settlement of disputes, non-use of force or threat of its use, equality of rights and non-interference in the internal affairs, good-neighborly implementation of treaty obligations in accordance with the Treaty on Friendship, Cooperation and Mutual Assistance between the Republic of Kazakhstan and the Russian Federation signed on 25 May 1992, and also observance of other universally recognized norms of international law.

In the event of a situation arising which threatens the security, independence, or territorial integrity of one of the parties, the Republic of Kazakhstan and the Russian Federation will immediately hold consultations and undertake specific measures to give each other necessary assistance, including military assistance, in accordance with international law, the bilateral Treaty on Friendship, Cooperation and Mutual Assistance signed on 25 May 1992 and the Treaty on Collective Security signed on 15 May 1992.

Article 3

Strategic nuclear forces based on the territory of the Republic of Kazakhstan and the Russian Federation implement tasks in the interests of the security of the two parties.

The Republic of Kazakhstan, taking into account the established system of functioning of strategic nuclear forces on its territory gives the aforementioned military formations of strategic nuclear forces the status of strategic nuclear forces of the Russian Federation—Russian military formations based on the territory of the Republic of Kazakhstan on a temporary basis.

Until the complete destruction of the strategic nuclear weapons temporarily stationed on the territory of the Republic of Kazakhstan or their withdrawal to the territory of the Russian Federation, the decision about the necessity to use them is made by the president of the Russian Federation upon agreement with the president of the Republic of Kazakhstan.

At the same time the Russian Federation guarantees the adoption of organizational and technical measures which exclude the unauthorized use of the strategic nuclear weapons located on territory of the Republic of Kazakhstan.

The conditions for deploying strategic nuclear forces on the territory of the Republic of Kazakhstan, which shall correspond to the norms of international law, are to be determined by a separate agreement.

Article 4

All movable military property and military real estate is the property of the party on whose territory it was based on 31 August 1991.

The Russian Federation acknowledges the right of the Republic of Kazakhstan to receive the equivalent (money or in other forms) of the value agreed by the parties for nuclear ammunition materials, carriers and other equipment and property of the strategic nuclear forces which was stationed on the territory of the Republic of Kazakhstan on 31 August 1991 upon their withdrawal to the territory of the Russian Federation.

At the same time an estimate of the cost of materials and equipment, and of the Russian Federation's expenses in maintaining, transporting and utilizing them, as well as an estimate of the share of the equivalent value in favour of the Republic of Kazakhstan is made by the parties in accordance with agreed procedure.

The property right to installations, buildings and constructions created since 31 August 1991 or to weapons, military hardware, equipment and property imported after that date belongs to the party which finances the relevant works. If the financing is shared, the property right is to be determined by separate agreements taking into account their individual input.

The parties confirm the possibility of the armed forces of one party using installations and constructions situated on the territory of the other party. The list of military installations and constructions and also the procedure and conditions for their operation are established by separate agreements.

Proceeding from the interests of improving joint defenses and strengthening national security each party, in accordance with its legislation, may transfer the property of its own armed forces into the possession or use of the other party on mutually beneficial conditions, including lease conditions.

Each of the sides is not bound to make any compensation to the other party, if there is no other accord in accordance with separate agreements, for development by the latter of military installations or land located on the territory of the former and used for military purposes, or for buildings or constructions situated on it upon the expiry of this treaty or for the early return of installations and land plots.

Article 5

The status of defense installations which are used jointly by the two parties is determined on the basis of the powers of the Republic of Kazakhstan and the Russian Federation as states managing these installations and their use and supplying materials and equipment to them, and also the joint powers of the two parties in controlling the activities and use of the aforementioned installations in the interests of raising the defense potential of the two parties.

Parties carrying out the functions of management and use of and the supply of materials and equipment to strategic nuclear forces and defense installations leased from each other are fully responsible for their safe use and for maintaining the necessary level of nuclear and other security.

At the same time, each of the parties undertakes to refrain from activities that in any way could hinder the other party in carrying out its treaty obligations, including those arising from START I, the Lisbon protocol, and also the functioning of its state bodies and/or cause damage to state and/or private property.

The Russian Federation adopts measures agreed with the Republic of Kazakhstan on clearing up the aftereffects of the activities of strategic nuclear forces situated on the territory of the Republic of Kazakhstan and also of defense installations transferred to the Russian Federation by the Republic of Kazakhstan. If extraordinary situations arise, the two parties adopt urgent measures to deal with them and immediately inform each other about it.

Article 6

Recognizing the importance of strictly following the provisions of the USSR-USA Anti-Ballistic Missile Treaty of 26 May 1972 and also the mutual interests of the Republic of Kazakhstan and the Russian Federation, the two parties proceed from the understanding that use of the Sary-Shagan test ground will be undertaken with the aim of creating and improving the anti-ballistic missile defense system, or components of it, situated in the region, as defined in Article 3 of the aforementioned treaty. At the same time, the conditions for using the Sary-Shagan test ground by the parties are determined by a separate agreement.

Article 7

The parties will render mutual help to each other in implementing multilateral international treaties and political obligations to cut and limit strategic offensive and conventional weapons.

When concluding treaties and agreements in the sphere of military cooperation and equipment and weaponry deliveries with third countries, each of the parties undertakes to take into account the interests of the other party.

Article 8

The Ministries of Defense of the two parties work out and conclude separate agreements on questions of joint planning and using troops in the interests of the mutual security of the two parties, and plan and conduct joint measures to train command bodies and troops on the territory of either party upon mutual agreement.

The two parties can create unified military formations under a unified command.

Article 9

The procedure for managing and staffing defense installations used jointly by the parties, unified military formations and unified commands, and also of supplying them with materials and equipment, is determined by a separate agreement.

Article 10

The two parties cooperate in the field of military intelligence.

Each of the two parties undertakes not to conduct military intelligence activities directed against the other party.

Article 11

The sides shall conclude a treaty on using the forces and facilities of the naval forces of the Republic of Kazakhstan and the navy of the Russian Federation on the Caspian Sea in the interests of jointly ensuring the security of the two parties.

Article 12

Issues of the legal status of servicemen in the armed forces of one party serving on the territory of the other party, the members of their families, their pension provision, and other issues of the social and legal protection of the aforementioned persons shall be determined by a separate agreement.

The two parties offer their citizens serving outside the borders of their state guarantees in providing and implementing social and civil rights envisaged by their legislation.

The two parties recognize the validity of ranks conferred on servicemen, state awards, certificates of education, and also guarantee pension provision, offering privileges to servicemen, persons who have left military service, and members of their families in accordance with the current legislation of the parties, taking into account their years of service in the forces of the former Soviet Union and subsequent service in the armed forces of the parties, including contract service.

The parties guarantee equal rights to civilian personnel, irrespective of their citizenship, when offering them employment in military units, enterprises, and institutions of their own armed forces and undertake to take into account this period of their work in their work record when granting a pension.

If one party disbands military units, institutions and establishments located on the territory of the other party, the former will undertake to pay compensation to civilian personnel in accordance with its labor legislation.

The parties shall consult each other on improving and bringing closer together their national legislation, including legislation on financial and social security for servicemen and civilian personnel in the armed forces and also on granting privileges to servicemen and persons who have left military service and members of their families.

Article 13

Persons who are part of military units, institutions, and establishments shall cross the state border of the two sides on a non-visa basis, without receiving passports for foreign travel or any stamps of permission in passports, upon presentation of an identity card (military cards, internal passports) and work travel documentation (holiday permits, instructions), as shall their underage children upon being entered in the relevant documents. When appointed to a new place of service or permanent place of residence, they shall convey private property across the state border between the two parties without customs, taxes and other duties being collected.

Admission across the state border of one party of subdivisions, units, and detachments of over more than fifty persons from the armed forces of the other party shall be effected in conformity with timely notification and agreement between the defence ministries of the two parties.

Article 14

Material and technical provision of the military formations shall be carried out by the defense ministries of the two parties on mutually beneficial conditions, guaranteeing high level support for the combat readiness and combat capability of their armed forces and unified military formations and shall be regulated by individual agreements.

Article 15

The activities of military formations of one party stationed on the territory of the other party shall be financed by the party under whose jurisdiction they are.

Issues of the circulation of the currencies of the parties with the aim of providing for the vital activities of servicemen and military formations of the parties stationed on their territories shall be regulated in conformity with the agreement between the National Bank of the Republic of Kazakhstan and the Central Bank of the Russian Federation.

Article 16

Each party in its activities on the sites and land of the other party undertakes not to violate either the state and public security of the other party or the individual security of the citizens of the latter.

Article 17

The two parties pursue a coordinated policy in the areas of joint design, production, repair and supply of arms, military equipment and material and technical resources in the interests of comprehensive provision for the armed forces, defense installations and unified military formations, and coordinate issues of military and technical cooperation, at the same time ensuring the preservation and development of established cooperation links between enterprises designing and manufacturing arms and military equipment. Supplies and services shall be effected on a duty-free basis at prices set by each party for its own needs. Prices and tariffs are agreed by the parties and determined in every case by a separate agreement. Issues of coordinating policy in the sphere of armaments and military equipment, as well as mutual supply of production (work and services) shall be determined by special agreements on the basis of the joint arms programs.

The parties shall cooperate in the spheres of the defense industry, research, and experimental and design work, retaining and developing established specialization and cooperation.

In order to implement a coordinated policy in the military and technical sphere the parties shall establish an inter-state commission for military and technical cooperation between the Republic of Kazakhstan and the Russian Federation.

Article 18

The parties retain the existing procedure for training and preparing officers and junior military specialists for the armed forces of both parties in line with relevant agreements.

Article 19

The parties retain the existing system for of all kinds of communications, for anti-aircraft and anti-ballistic missile defense, for notification and communications and take agreed measures on their development.

The parties cooperate in the field of military transportation. The procedure for such cooperation shall be defined by a separate agreement.

The parties retain a single air space for the flights of military and civil aircraft and the joint air-traffic control system for these flights on the basis of the relevant agreements.

Article 20

With the aim of strengthening discipline and law and order in the armed forces, at defense installations used by the parties jointly or on lease terms and at unified military formations the parties coordinate their actions in the law enforcement field.

Article 21

The parties plan joint measures and render mutual assistance in resolving ecological problems connected with the consequences of military activities.

Article 22

The present agreement is not aimed against any other states and does not affect the rights and obligations of the parties resulting from other international agreements of which they are participants.

Article 23

The parties will not allow their territory to be used by third states with the aim of carrying out activities aimed against the other party.

Article 24

With the aim of implementing the provisions of this treaty, and also in the interests of broadening and further deepening cooperation in the field of defense, the parties are creating a joint committee which will function according to the regulations approved by the parties.

Article 25

Amendments and addenda to this treaty can be introduced by the mutual agreement of the Parties.

The treaty will be ratified and come into force from the date of exchanging the ratification credentials.

The treaty will run for ten years. Its effect will then be automatically prolonged for a further ten years if neither of the parties, less than six months before the expiry date of the treaty, notifies the other party in writing about its wish to end the treaty.

The present treaty is temporarily put into effect from the day it is signed.

Signed in Moscow on 28 March 1994 in two copies, each in Kazakh and Russian, moreover both texts have the same force.

On behalf of the Republic of Kazakhstan [signature illegible]

On behalf of the Russian Federation [signature illegible] Protocol on the Agreed Understanding of Article 4 of the Treaty Between the Republic of Kazakhstan and the Russian Federation on Military Cooperation of 28 March 1994. The Republic of Kazakhstan and Russian Federation proceed from the understanding that in the first paragraph of Article 4 of the Treaty Between the Republic of Kazakhstan and the Russian Federation on Military Cooperation of 28 March 1994, the property right mentioned of the Republic of Kazakhstan to movable military property situated on its territory on 31 August 1991, in the section concerning nuclear ammunition applies to the material for such ammunition and not for assembled ammunition.

On behalf of the Republic of Kazakhstan [signature illegible]

On behalf of the Russian Federation [signature illegible]

Moscow, 28 March 1994

Kyrgyzstan

Akayev, CIS Official Comment on Summit Documents

LD2410173794 Moscow INTERFAX in English 1538 GMT 24 Oct 94

[From the "Presidential Bulletin" feature; compiled by Nikolay Zherebtsov and Andrey Petrovskiy, and edited by Vladimir Shishlin]

[FBIS Transcribed Text] The summit made a decisive step towards strengthening the CIS, Kyrgyz President Askar Akayev told journalists.

He said that the CIS bodies had discussed nearly 450 documents before the Moscow summit but none of them had been put into practice.

Akayev believed that the agreement on the setting up of an Inter-State Economic Committee and a memorandum on upgrading the integration were the most important documents passed by the summit last Friday [21 October]. He said that the memorandum reflected certain ideas proposed by Kazakh President Nursultan Nazarbayev on the setting up of a Eurasian Union.

Akayev regarded the CIS payment union as a tool to resolve the issue of payments, a most painful CIS problem, between the member states.

Albert Vardanian, member of the CIS coordinating secretariat, agreed. In an exclusive interview he told Interfax that the document was a basis of the relationships that would enable an economic union of CIS member nations to be set up and function properly.

Vardanian said that the treaty did not commit its signatories to anything concrete but identified the specifics of bilateral or multilateral agreements on mutual payment and trade, economic, crediting and other links.

He attributed the delay in signing this treaty, the idea of which had been proposed more than a year ago, to the need to negotiate mutual financial balances.

President Speaks at Opening of UNDP Mission

LD2410195994 Bishkek Kyrgyz First Radio Program Network in Russian 1536 GMT 24 Oct 94

[FBIS Translated Excerpt] Today is the 49th anniversary of the United Nations. The people of Kyrgyzstan marked this date with the official opening of the office of the United Nations at No. 90 Chuiykova Street, in Bishkek. President Askar Akayev of the Kyrgyz Republic, State Secretary Janysh Rustenbekov of the presidential administration, City Mayor Ibraimov, and other officials were present at the opening ceremony.

On the occasion of the celebrations Mr. Erjan (Murat), the permanent coordinator of the United Nations in the Kyrgyz Republic, and President of Kyrgyzstan Askar Akayev gave a speech. Here are the speeches by UN representative Erjan Murat and Kyrgyz President Askar Akayev. [passage omitted]

[Begin Akayev recording] For my part I am very pleased to have the opportunity to meet and greet you on the occasion of this event which is momentous for us all—the official opening of the UNDP [UN Development Program] office and raising the UN flag on the territory of the Kyrgyz Republic. We are all glad of it, doubly since it takes place on the 49th anniversary of the foundation of the United Nations, the objectives of which Mr. Erjan Murat has spoken excellently about. [passage omitted]

I would like to point out with great pleasure the great work that is handled by the UN representative office in Kyrgyzstan. A large number of programs worth a total of about 6 million dollars have been drawn up and are being implemented today since its opening, with the close cooperation of the government of Kyrgyz Republic. [passage omitted]

On behalf of the people of Kyrgyzstan and myself, I would like to express my heartfelt gratitude to Mr. Murat for his assistance in rendering support to Kyrgyzstan. I subscribe to the idea that Mr. Erjan Murat mentioned in his speech here that without democracy and peace there is no development and progress in the united world. This is because we, the people of Kyrgyzia [Kyrgyzstan], would like to stress our strong adherence to those objectives that the UN sets itself, which UN Secretary General Butrus Butrus-Ghali supports, that first and foremost we, mankind, any state, and any country that are UN members are to secure peace and development on the earth, and on the basis of it social progress strive so that people are free from fear and need all over the world where they presently exist.

We all are sincerely glad of those programs that are being drawn up by the UN to render assistance in developing the Kyrgyzstan [word indistinct]. Finally, I would like to express my deep confidence that the UN office in Bishkek, which will be situated from now on in this comfortable house, will have great opportunities to work fruitfully and effectively carry out its noble mission in Kyrgyzstan [end recording].

Tajikistan

UN Observers Arrive; Inter-Tajik Talks Previewed

MM2410135194 Moscow PRAVDA in Russian 22 Oct 94 p 2

[Report by Alisher Niyazov: "Tajikistan: UN Military Observers Arrive"]

[FBIS Translated Text] Dushanbe—As has already been reported, an inter-Tajik agreement has come into force, according to which the warring sides undertake not to engage in combat operations, terrorist actions, the seizure of hostages, and so forth, for the period of one month. It was stipulated that the agreement would begin to operate from the arrival of UN military observers in the conflict zones.

And on 19 October the main contingent of the observers, 11 of the 17, arrived in Tajikistan. The military experts under the command of Brigadier General Hassan Abaza from Jordan are mainly stationed in places where the warring factions are displaying the most zeal. This is in Tavildarinskiy and Garmskiy Rayons, the most troubled sectors of the Tajik-Afghan border, and also the cities of Kurgan-Tyube and Dushanbe.

The head of the UN mission in Tajikistan, Diviu Bota [name as transliterated; referent item has Livio Botha], appealed to the Tajik authorities and the republic's population to respect the status of the observers, who are practically unarmed, and to offer them assistance, and once again called on the Tajik sides to conscientiously honor the commitments they made in Tehran.

The implementation of another important stipulation in the treaty—on the exchange of prisoners of war and political detainees according to lists presented—has come to something of a standstill. The exchange is expected to take place with the mediation of the International Committee of the Red Cross before 17 October.

However, in Abdumadzhid Dostiyev's words, at the moment this matter is being stalled because of the Red Cross representatives lack information on the whereabouts of prisoners of war captured by the opposition. "Our"—to use Dostiyev's expression—prisoners of war and political detainees are in jails and can be handed over right now."

Meanwhile, the third round of inter-Tajik talks begins today in Islamabad. The official negotiating delegation headed by Abdumadzhid Dostiyev faces the difficult and virtually impossible task of persuading the opposition to give up its declared boycott of the presidential elections and the referendum on the Constitution. Both sides are sticking firmly to their guns on this question.

Official Dushanbe, its most senior leaders frequently state, does not intend "to deny the people the opportunity of freely expressing their will," and intends to hold the presidential elections and the referendum come what may.

The opposition, on the other hand, maintain that not only are they opposed to the polls scheduled for 6 November, but that they will actually have the effect of stepping up the military activity of their armed wing. It is not difficult to surmise that this problematic question will be the central issue on the agenda of the Islamabad meeting.

Rakhmanov Visits UN Mission in Dushanbe

LD2410132494 Dushanbe Radio Tajikistan Network in Tajik 1100 GMT 24 Oct 94

[FBIS Translated Excerpt] Today the world community celebrates United Nations Day. The independent state of Tajikistan, which is a member of this international organization, celebrates this day as well.

Today, Imamali Rakhmanov, the head of state and chairman of the Supreme Council of the republic, met the employees of the United Nations mission in Tajikistan. Here is a congratulatory speech by the head of state Imamali Rakhmanov.

[Begin Rakhmanov recording] First of all, I would like to congratulate all the members and representatives of the United Nations who are working these days in the Republic of Tajikistan to render direct, practical assistance to our country to save it from the verge of disaster. I would like to wish them good health and happiness. [passage omitted]

I would like to point out that the role of the United Nations Organization, particularly the role of the UN Secretary General Butrus-Ghali, his deputies, all organizations that are subordinate to this authoritative organization—particularly the UN mission in Tajikistan led by Liviu Bota—is very great in normalizing the situation in the republic. [passage omitted]

When I was in New York I invited Butrus-Ghali to pay a visit to Tajikistan. He replied: Imamali Rakhmanov, next year we will meet each other three more times. The first meeting will take place in March 1995 in Dushanbe, the second meeting in Copenhagen, and the third will take place in New York on the occasion of the 50th anniversary of the United Nations. This is a very good idea and hope. I am gratified to the secretary general. For our part, we will take all measures in order to provide good conditions for the official visit by UN Secretary General Butrus-Ghali to Dushanbe and that it will be held in a good atmosphere in order to strengthen bilateral relations between Tajikistan and the United Nations. [end recording]

Rakhmanov Holds News Conference on CIS Summit

LD2410142094 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 24 Oct 94

[FBIS Translated Text] Imamali Rakhmanov, head of state and chairman of the Supreme Soviet of the Republic of Tajikistan, held a news conference for local and foreign correspondents today. Rakhmanov spoke about the results of the Commonwealth heads of state meeting on 21 October in Moscow.

In his opening speech Imamali Rakhmanov said that the decisions adopted in Moscow are historic. The Interstate Economic Committee was established during this meeting. The tasks of this interstate economic committee are to supervise [word indistinct] implementation of the signed decisions between the republics—members of the Commonwealth of Independent States. Imamali Rakhmanov added that during the three years of the CIS' existence, more than 400 decisions have been adopted. However, none of them has been implemented so far. The establishment of this interstate economic committee will promote the implementation of these agreements.

Later, speaking about meetings with the leaders of Russia, Uzbekistan, and other republics, Imamali Rakhmanov said an agreement was concluded with Russia, according to which 700,000 [metric] tonnes of wheat will be sent to Tajikistan. Other republics also supply Tajikistan with wheat. Tajikistan will receive 1.5 million tonnes of wheat from the CIS. The export of this wheat will start shortly. Other goods such as sugar, flour, and fuel will be sent to the republic as well. So far, 400 carloads of wheat have been sent to the republic.

Similarly, Imamali Rakhmanov pointed out that the question of supplying the republic with cash will be resolved in the near future.

Rakhmanov Says Tajikistan To Join Ruble Zone

LD2410191694 Moscow INTERFAX in English 1640 GMT 24 Oct 94

[FBIS Transcribed Text] Emomali Rakhmonov, chairman of the Tajik parliament, described the setting up of an Inter-State Economic Committee by the Moscow CIS summit on October 21 as a large and significant step towards integration.

He said at a news conference in Dushanbe Monday [24 October] that the committee accomplished one item of Kazakh President Nursultan Nazarbayev's plan to set up a Eurasian Union of CIS member nations.

Rakhmanov said that Tajikistan would join the ruble zone soon, whatever certain politicians in Russia and Tajikistan dreamed of, and that enough cash would be available to the population.

According to Rakhmanov, grants, pensions and benefits for the low income bracket are being paid now and before the end of 1994 nearly four trillion rubles will be paid as back wages and new wages.

He emphasized that hunger was no threat to Tajikistan. He said over 400 carloads of Russian grain would arrive in Tajikistan before November 1.

An agreement on supplies of 800,000 tonnes of grain by Russia in 1995 has been reached and Uzbek President Islam Karimov agreed to let the food cargo from Russia go across Uzbekistan.

Rakhmanov emphasized that Dushanbe was faithfully observing the cease-fire agreement that had come into force on October 20 and was desisting from any hostile actions on the Tajik-Afghan border and inside the country. He said the government expected the opposition to do the same.

He also believed that no provocations could thwart the presidential elections and a constitutional referendum of November 6.

One of the two registered candidates for presidency, Rakhmanov said that he would do his utmost to win the elections but using only political means.

Rakhmanov Favors Cardinal Economic Reforms

LD2410174194 Moscow INTERFAX in English 1538 GMT 24 Oct 94

[From the "Presidential Bulletin" feature; compiled by Nikolay Zherebtsov and Andrey Petrovskiy, and edited by Vladimir Shishlin]

[FBIS Transcribed Text] Imamali Rakhmanov, the 43-year-old chairman of the republic's parliament, candidate for presidency, addressed countrymen over the national TV in the run up to the elections scheduled for November 6.

If elected president, Rakhmanov promised to take all efforts to unite monetary systems of Russia and Tajikistan. The unified ruble zone, he said, is capable to pull the national economy out of the deep crisis.

At the same time Rakhmanov is prepared to take tough measures to prevent the taking of money and currency out of the republic.

Saying that the republic's economy needs cardinal reforming on the principles of market relations, the Tajik leader is not inclined, according to him, to give up the state monopoly because he believes this would be a grave mistake. The state sector of the economy should be under strict control. Otherwise most people will be on the verge of poverty, said Rakhmanov.

Nevertheless, he recognizes the diversity of forms of property and believes that auctioning and leasing are the most attractive methods.

He is against the hasty elimination of collective and state farms, particularly those which grow cotton, because they are the basis for the republic's agriculture. He promised for them easy-term crediting and greater independence. To stabilize the national production Rakhmanov intends to reduce for the time being the import to Tajikistan of alcohol, cigarettes, cotton oil, which, according to Rakhmanov, could be produced in the republic.

If elected president, he promises to establish regulated prices for food, raise wages for all categories of workers, as well as benefits and pensions.

Speaking about political problems, he focused his attention on the internal stabilization, which could be achieved through the national accord.

The attempts by certain quarters to divide us on the regional principle, are doomed, said Rakhmanov. He said that since the moment he was elected the head of state in 1992 he adheres to the policy of national reconciliation and the official Dushanbe chose this course in relations with the opposition. "The results of the talks with the opposition show that we have achieved considerable progress in this direction, said Rakhmanov. He said that the opposition should come to understand that further confrontation will cause a split and disintegration of the statehood. Unless the fratricidal confrontation is stopped, our descendants will not forgive us, said Rakhmanov.

He promised that if elected president, he will fight crime which is considerable in scope. He intends to create a special body for combating crime and corruption.

Rakhmanov's rival at the elections is ex-prime minister, Tajikistan's Ambassador in Moscow Abdumalik Abdullojonov.

Representatives of the support group of Abdullojonov, in their statement on Saturday, accused the authorities in Dushanbe of violating the law on the presidential elections.

The document also says that information blockade is created around Abdullojonov, He is prevented time on the air at radio and TV company.

Leninabad Council Chairman Replaced

LD2510091094 Dushanbe Radio Tajikistan Network in Russian 0400 GMT 25 Oct 94

[Edict of the Presidium of the Supreme Council of the Republic of Tajikistan upon a proposal from the chairman of the Council of Ministers of the Republic of Tajikistan]

[FBIS Translated Text] Having considered a proposal from the chairman of the Council of Ministers of the Republic of Tajikistan, the Presidium of the Supreme Council of the Republic of Tajikistan decrees, on the basis of paragraph 14 of Article 108 of the Constitution of the Republic of Tajikistan:

To relieve Solikhuja Mahmudov from his duties as chairman of the Executive Committee of Leninabad Regional Council of People's Deputies;

to confer temporarily the duties of chairman of the Executive Committee of Leninabad Regional Council of People's Deputies on Abdujalil Madaminovich Hamidov, a people's deputy of Leninabad Regional Council of People's Deputies;

to submit the present edict for the approval of the Supreme Council of the Republic of Tajikistan.

[Signed] Chairman of the Supreme Council of the Republic of Tajikistan, Imamali Rahmanov

Bomb Defused at Ayini Military Airport

LD2410130794 Moscow INTERFAX in English 1229 GMT 24 Oct 94

[FBIS Transcribed Text] A bomb was discovered in a helicopter at the Ayini military airport of Tajikistan's Defense Ministry 15 kilometers west of Dushanbe Monday [24 October] morning. A ministry official told INTERFAX that the bomb had been defused.

He said another MI-8 helicopter was destroyed at the same airport Sunday night. Some reports say a bomb planted by unidentified persons blew up in the helicopter. That prompted the inspection of the other helicopters.

Russian Guards Attacked on Tajik-Afghan Border

LD2410181494 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] At 12:15 local time on Monday [24 October] a temporary frontier post on the Tajik-Afghan border came under automatic and machine-gun fire. According to the press bureau of the Russian Border Force, the fire was opened by a group of 10 militants from Afghan territory.

The border guards retaliated reportedly killing two militants. None of the border guards was hurt.

An agreement on a cease-fire between the Tajik government and opposition on the border and inside the country came into effect on October 20 in view of the presidential elections and constitutional referendum due on November 6.

Acute Bread Shortage Causes Problems

LD2410115094 Moscow Ostankino Television First Channel Network in Russian 1052 GMT 24 Oct 94

[Report by correspondent Alisher Khodzhayev from Dushanbe]

[FBIS Translated Text] After a short respite, an acute problem with the supply of bread has surfaced again. It may be hard to believe, but people have to make do without bread for several successive days. They start lining up outside bread shops at sunrise, sometimes even in the night, but only half of those in line will end up with bread.

The present state of affairs has been caused by several factors. A dry summer and fuel shortages led to the grain yield in many areas totalling just two to three quintals a hectare. Bakeries are operating at two-thirds capacity for lack of flour. The bread problem is particularly acute in Dushanbe—with the influx of refugees, its population now exceeds one million.

Contracts for grain supplies to Tajikistan from Russia and Kazakhstan are not being met, because Tajikistan itself is not honoring its obligations on the supply of raw cotton to these countries. It can hardly hope to get grain without giving anything in exchange.

Head of state Imamali Rakhmanov categorically demanded that cotton industry managers sell raw cotton only in payment for supplies of bread, other foodstuffs, and fuel to the republic.

Uzbekistan

Karimov To Study PRC Economic Reforms

LD2410191194 Moscow INTERFAX in English 1640 GMT 24 Oct 94

[FBIS Transcribed Text] Uzbekistan's President Islam Karimov on Monday [24 October] left on a three-day visit to China. The two sides are expected to sign five documents in the sphere of economics and culture to be added to existing agreements and treaties.

At the same time, Secretary of the Chinese Embassy Cui Guojie told Interfax that the main purpose of the visit will be the studying of economic reform in China and the experience of rapid development.

Cui Guojie described the relations between the two countries as friendly, neighborly and with good prospects. However, he said economic ties could be more intensive.

Seventy-seven Uzbek-Chinese joint ventures are currently operating in Uzbekistan in the sphere of cotton processing, textile industry and electronics. In 1993 the trade volume between China and Uzbekistan equaled $93 million; for the first six months of 1994 it amounted to $86 million.

In 1992 China offered Uzbekistan a credit worth 50 million yuan to purchase food and in May a credit worth 50 million yuan to import consumer goods, pharmaceuticals and food products. In May the Chinese government handed over to Uzbekistan pharmaceuticals, foodstuffs and baby food to the sum of 1.5 million yuan.

Cooperation Agreement Signed

LD2510102694 Tashkent Radio Mashal in Uzbek 0800 GMT 25 Oct 94

[FBIS Translated Text] President of Uzbekistan Islam Karimov and his wife were met at Tiannamen Square by the President of China Jiang Zemin and other leaders. Both presidents then had tete-a-tete talks at the meeting hall of people's representatives. Then they began the meeting of the full delegation. This meeting ended with the signing of a bilateral cooperation agreement. Uzbek President Islam Karimov and the Chinese president signed a statement on the main principles of mutual relations between the two countries and the development of mutually beneficial relations. An agreement on consular relations was signed by Uzbek Foreign Minister Abdulaziz Kamilov and the Chinese Foreign Minister Qian Qichen. No doubt these documents will expand the historical relationship between the two countries. The visit by the president of Uzbekistan continues.

Armenia

Solution of Economic Problems With Georgia

LD2410174994 Moscow INTERFAX in English 1338 GMT 24 Oct 94

[From the "Presidential Bulletin" feature; compiled by Nikolay Zherebtsov and Andrey Petrovskiy, and edited by Vladimir Shishlin]

[FBIS Transcribed Text] Armenian President Levon Ter-Petrosyan believes that the Moscow summit of the CIS was a normal working meeting discusing the realities of upgrading the cooperation, his press secretary Levon Zurabian told journalists.

Zurabian said that the meeting had been useful and nearly all items on the agenda had been discussed in fair detail.

Zurabian said that the summit enabled the Armenian leaders to solve certain problems in the economic cooperation with Georgia. He added that Ter-Petrosyan and Georgian leader Eduard Shevardnadze had agreed at their meeting that efficient mechanisms had to be set up to resolve the issues of payments and the operation of communications and transportation of grain, gas and fuel oil across Georgia to Armenia.

Sources told Interfax that Georgia agreed to pay 1.5 billion rubles for Russian gas before November 1 and so would be able to receive more of it from Russia. An Armenian official who spoke on the condition of anonymity told Interfax that Armenian welcomed that agreement because Georgians usually keep to themselves some of the gas destined for Armenia. (IF Note: Armenia is now receiving a maximum of three million cubic meters of gas a day, less than one half of what it needs. For this reason people have gas in their homes two to four hours a day according to a schedule.)

Zurabian noted that the Armenian delegation had not pressed for early signing of a treaty on Russian bases in Armenia during the Moscow summit. He did not believe it would be true to say that the talks stalled because no specific deadlines had been set. (IF Note: Ter-Petrosyan told Vladimir Shumeyko, speaker of the Russian upper chamber, on October 11 that this document will be signed shortly).

Azerbaijan

Government To Repay State Debt to Russia

NC2410204094 Baku TURAN in English 0959 GMT 24 Oct 94

[FBIS Transcribed Text] Baku (October 24) TURAN—"I and Viktor Chernomyrdin signed several important documents in the field of trade, economy and finance and solved another issues", President Aliyev said in his interview to Azerbaijani TV after his meeting with Russian Premier. Azeri President said that he and Viktor Chernomyrdin had a long tete-a-tete talk and discussed the issues concerning bilateral economic development. "Viktor Chernomydin said that Russia does not have any objections and claims against development of offshore oil-fields of Azerbaijan", President Aliyev said. He added that Russian Premier expressed his wish to establish cooperation and coordinate activities of pri-Caspian [as received] states in fishing and ecology of Caspian sea. Azeri President said that he backs the idea concerning cooperation in these fields.

During a broadened meeting, the officials from both governments found agreement concerning Azerbaijan's paying back state debt to Russia, the sum of which will be calculated by the experts from both parties. The parties agreed that the sum of the debt proposed by Russia (36 million dollars) will be decreased and stage-by-stage paying off the debt will begin from the fourth quarter of 1995 and will last for two years. Azerbaijan's agreement to pay off the debt made its possible to conclude the agreement concerning trade-economic cooperation for the years of 1994-1995.

The same issues were discussed by President Aliyev and President Yeltsin on October 21. At the same time, Presidents considered several aspects of the Armenian-Azerbaijani conflict settlement.

Azeri President in his interview also said that the issue concerning the blockade of railway in Chechnya, through which 80 per cent of exports and imports of Azerbaijan are realized, was also discussed on the meeting among the heads of the CIS-member states. "Boris Yeltsin gave a special permission to prepare suggestions to settle this issue".

Aliyev Says Russia Will Not Hinder Oil Contract

LD2410154794 Moscow INTERFAX in English 1430 GMT 24 Oct 94

[FBIS Transcribed Text] Russia's Prime Minister Viktor Chernomyrdin has assured President Geydar Aliyev of Azerbaijan that Russia will not hinder the implementation of the contract on developing oil fields on the Caspian Sea shelf signed between Azerbaijan and a number of Western oil companies on September 20.

Aliyev said in a televised statement on Sunday [23 October] that Chernomyrdin had given him that promise during their meeting held in the framework of the CIS summit that took place in Moscow on Friday.

"Russia has no objections to that contract," Aliyev said.

He said Chernomyrdin had only pointed to the need to cooperate in the area of fishing, environmental protection and other issues in the Caspian Sea basin.

When the contract was signed, Russia's Foreign Ministry declared that Russia did not recognize the document as it encroached on the interests of the Russian Federation. However, on October 14, in a telephone conversation with Aliyev, Foreign Minister Andrey Kozyrev did not confirm the reports that Russia intended to hinder the implementation of the contract, said the Azeri leader's press service.

Army Chief Sees Russia-U.S. 'Confrontation'

MM2410120394 Moscow PRAVDA in Russian 22 Oct 94 p 2

[Report by Boris Mkrtchyan: "Karabakh Conundrum: General's Opinion"]

[FBIS Translated Text] Yerevan—Major General Anatoliy Zinevich, former chief of the operations department of the 7th Army, which was stationed in Armenia, and nowadays acting chief of staff of the Nagorno-Karabakh Republic Defense Army, has given an extensive interview to GOLOS ARMENII. The general's opinion on certain issues in the Karabakh problem are considerably frank and interesting

"The decisive role in settling the conflict will be played by Russia, not only as the successor to the Soviet Union, but also simply as an influential power in the region with its thousand-year-old traditions," Gen. Zinevich stated. "Both Clinton and Yeltsin are committed to resolving the Karabakh problem. But at the same time the Americans are interested exclusively in oil and profits, which are in fact the reality behind the United States' uncompromising stance on the question of Armenia's territorial integrity and the indissolubility of its borders. However, it is clear that Russia will not allow assets to be siphoned off from under its nose, and this threatens confrontation between the mediators themselves—Russia and the CSCE, in which the United States place the major role—and naturally, a delay in settling the Karabakh conflict."

The general went on to say that the people of Karabakh will never agree to live under the protection and control of Azerbaijan—at any rate, not this generation or the next. In the final analysis, the people's desire for self-determination must be the focus of a solution to the problem.

"I do not believe that the people of Azerbaijan particularly aspire to control Karabakh lands, and there is no blood-hatred between Azerbaijanis and the people of Karabakh," the general noted in conclusion. "In time they will settle down with one another, the wounds inflicted by war will heal, and equal, good-neighborly relations will be established."

SOCAR Leaders Leave for London Oil Deal Ratification

NC2410202694 Baku TURAN in English 1359 GMT 24 Oct 94

[FBIS Transcribed Text] Baku (October 24) TURAN—Yesterday SOCAR [State Oil Company of Azerbaijan] leadership headed by its president Natig Aliyev left for London for a meeting with oil companies-members of the consortium, where the ratification of the "contract of centure" by Western oil companies is scheduled, TURAN was told by the informed source in SOCAR.

SOCAR's leadership will stay in London for a week for submitting to the Milli Mejlis the contract, confirmed by all the members of the Consortium. Terms and conditions of the contract had been discussed in the Milli Mejlis twice and then the discussions were stopped, in order to continue them after the confirmation by the members of the Consortium.

A number of questions had been prepared by the deputies of the Milli Mejlis concerning the split of profit, bonus and profitable oil. Speaker of the Parliament Rasul Guliyev said that they were "not puzzling questions" and said that ratification of the contract by the Parliament would be possible in near future.

Georgia

Shevardnadze Interviewed on Current Issues

LD2410212494 Tbilisi Radio Tbilisi Network in Georgian 0657 GMT 24 Oct 94

[Interview with Parliament Chairman Eduard Shevardnadze by Nato Oniani—live]

[FBIS Translated Excerpt] [Oniani] Good morning. We present to you an interview with the chairman of the Georgian parliament and head of state, Mr Eduard Shevardnadze. [passage omitted]

[Shevardnadze] [passage omitted] I have said many times that the August coup determined the uncontrollable disintegration of the empire. [passage omitted] Disintegration was of course inevitable, however, I firmly believed at the time and I still firmly believe that it should have happened stage by stage. We would then have avoided the cataclysms which have befallen us and the results which turned out to be so serious for every family.

It would have been difficult to preserve economic ties in the form in which they existed, but it would have been possible to build new ties on the existing basis. Disintegration should not have happened so spontaneously.

Following pressure from the Baltic republics and some other states, there were discussions in 1987 and 1988 on switching to confederative relations. Confederation would have been a set-up one could only have dreamt of at the time. However, for the Politburo and the then ruling elite and for the mentality of many republican leaders it was impossible even to consider the possibility of new relations or modernizing the Soviet Union. After the confederation idea became obsolete, discussions began about a Commonwealth of Independent States. It was then given a different meaning, not the one we ended up with later. But even this was unacceptable.

The main mistake of that time was that we failed to keep abreast of the times. Therefore, we have failed to avoid uncontrollable processes. And now some kind of re-evaluation has been necessary.

Although I have already said a lot on television about the Moscow meetings, I would still like to look at some points because I believe that every citizen should be interested in what is happening in the CIS today. This is because our decision to join the CIS and to change our policy toward Russia was not taken under ordinary conditions. I would like everybody to know why it happened and why it is necessary.

The latest CIS summit adopted two or three very important documents and I would like to say a few words about it again. A memorandum was adopted concerning the main directions of the integrational development of the CIS member-states. Its main part is concerned with principles of economic integration and the practical decisions stemming from this. At the same time, the memorandum addresses such issues as further improving and developing collective security regulations. You have already mentioned this in your question. There is a provision saying that armed conflicts within the CIS are inadmissible and outlining further mechanisms. The memorandum also addresses problems concerning the arming of the member-states' military forces, sets objectives for the operation of joint peacekeeping forces in the event of an outbreak of conflict in some region, and stresses the need for joint action in emergency situations within the framework of international law and the UN charter.

Some principles of joint protection of the CIS member-states' external borders are also set down. As regards the issue of free internal borders within the CIS, it says that this practice should not harm the member-states' political, military and economic interests. This is an important provision and it should be taken into account during the building of the new borders. There are also provisions concerning various aspects of human rights protection, humanitarian cooperation, and cooperation on issues relating to foreign policy and international relations.

A document on protecting the rights of ethnic minorities was also adopted. It is encouraging that all the documents which I mentioned meet, in one way or another, world and European standards.

The main thing is that the meeting was marked by good mutual understanding and a good atmosphere. It was held in an atmosphere of respect for each other and consideration for each other's interests. And, of course, it would not be an exaggeration to say that the meeting marked the start of an active process during which the CIS is to develop into a viable organization. There have been very important statements and declarations in the past but, with a few exceptions, they have mainly remained as declarations. This meeting marked the start of active, tangible steps and coordinated action by the member-states at the level of interstate and interparliamentary relations. This meeting was also concerned with creating realistic mechanisms for joint action which may lead to binding decisions within certain spheres of competence.

As I said yesterday, there was a rather heated debate about whether these structures which are about to be set up should be of a supranational or interstate nature. The Georgian delegation at various levels, including the highest level, had a principled position that this should by no means be of a supranational nature. And, finally, a decision was made that these structures would be of an interstate nature.

Setting up economic structures was one of the main tasks of this meeting. As I said, there was argument and debate but, in my opinion, the most sensible and justified proposal was adopted. It is mainly concerned with the setting up of a coordinating and executive body such as the International Economic Committee, or MEK in Russian—Mezhdunarodnyy Ekonomicheskiy Komitet. This will be a coordinating and executive body. Every word from this agreement is important. It will carry out all functions which the member-states voluntarily delegate to it. The principle of voluntarily delegating powers means that you will delegate powers relating to a sphere which you want to have coordinated and managed. If you do not want to do it, it is not obligatory for you to delegate powers.

Another important point is the safety mechanism. There was a lot of debate on this as well, and, in the end, common sense prevailed: The committee is to decide major issues by the rule of consensus. Even if one delegation is against a proposal, either it will not be adopted or a new mechanism will be found.

The committee will also analyze the economic situation. We have been greatly lacking this, as I said yesterday. It will also review the progress of reform implementation, draft recommendations based on appropriate forecasts concerning improving industrial and technological ties. In the last few years we have failed to keep abreast of this major process. The committee will draw up proposals concerning joint investment projects, set objectives concerning the stage-by-stage formation of new joint economic space, and so on and so forth. In forming joint economic space, a special role will be played by free trade zones. As you know, we have signed an agreement with Russia on the need to set up such a zone. This should lead us to a market union in the future, but this will happen a little later.

One of the most important decisions as far as economic union is concerned was the creation of a permanent institution envisaged by the agreement on tax union. This issue is very important. It was studied for a full two or there months before a conclusion was finally reached that such a union should be created.

One of the main conditions for forming economic space is the mutual convertibility of national currencies. You know how many problems we used to have because there were no rules concerning the mutual convertibility of national currencies. Many unpleasant incidents which Georgia has experienced in the sphere of money and credit policy were due to this. In this connection, I would like to stress another aspect which is important for us. The agreement recognizes the sovereignty of national currencies and the role of the member-states' national banks as emission centers and money and credit regulation bodies. The creation of a union can be achieved through multilateral or bilateral agreements, which, as I said, is already under way.

An interstate bank will be set up to address problems of payments between states as well as other problems. This institution is also very important. Tax union should become one of the main guarantors of the stability of national currencies. The new level of our economic integration requires that every national currency should be stable. If it a member-state's currency is unstable, this will contradict the interests of the entire economic space. [passage omitted]

Now, another question arises: Is the present level of integration sufficient? You may remember the well-publicized initiatives by Kazakhstan's President Nazarbayev concerning the creation of a Eurasian Union. This envisages much higher, deeper and wider levels of integration.

[Oniani] Excuse me for interrupting you. Yeltsin has told Nazarbayev that the idea itself is interesting and that it can be used to further strengthen CIS integration processes.

[Shevardnadze] This was the general opinion at the meeting. My assessment of it is that the idea of a Eurasian Union, or, rather, Eurasian space such as joint Eurasian economic space, joint Eurasian ecological space, humanitarian space and so on, has been in the air for quite a while, and without doubt it has a future. I said that it is a program for the future, say, for the beginning of the 21st century. I also said that if the CIS succeeds and becomes stronger, then Nazarbayev's idea could mean that other countries might become members of the Eurasian Union. It may be countries such as Mongolia, or, if Korean reunification takes place, a unified Korea as well, or some east European countries while, at the same time, being members of the European Union. Finally, they may all enter joint Eurasian space. [passage omitted]

[Oniani] There were also discussions about the Abkhaz and Tskhinvali problems. You said that new things have emerged. To what extent will they assist the just resolution of the Abkhaz problem? I would also like to ask you how logical was it for you to go to Moscow against the background of the current situation in Abkhazia?

[Shevardnadze] The visit itself was necessary. So long as we are members of the CIS, it is natural that active work is needed to use to our country's benefit the great potential of the CIS charter and the documents adopted by the CIS.

As far as Abkhazia is concerned, it is important that the summit has determined the peacekeeping forces' mandate. It was thought that other countries would take part in peacekeeping, however, this failed to materialize at this stage, and it was deemed appropriate that the mission should be carried out by Russian armed forces, although some countries agreed to token participation. Every country agreed to the creation of an institution of observers and almost every country agreed to send their representatives. This was an important step and an important event.

However, the most important fact is that the mandate was extended to give the peacekeeping forces the opportunity to act in accordance with common interests [as heard], if necessary. What I mean is that the mandate's preamble says that the CIS heads of state have agreed to the following: The peacekeeping forces will create conditions for safe, dignified, and rapid return of the refugees.

Since the forces were deployed in Abkhazia we have often been told that they did not have the mandate to guard individual families, villages, or towns. They said that this was not part of their mandate or task. Now the mandate says that the peacekeeping forces should not only be responsible for preventing conflicts following the disengagement but should also be responsible for a safe return, security guarantees and—by the way, this phrase did not feature in the beginning but was added later—a rapid return. There is also a phrase saying that at the same time Abkhazia's political status must be resolved. The discussion on this issue is already under way. We have certain ideas in this regard, and I believe that the process should develop more quickly and we should do what is to be done.

[Oniani] Will the fact that such a mandate has been given to the Russian peacekeeping forces cause disagreement with international structures, for example the United Nations, which is also involved in the Abkhaz process?

[Shevardnadze] By no means. By the way, it cannot be ruled out that if this does not prove sufficient, we may even think of different functions in the future. The UN charter gives the opportunity and right to use elements of force if the implementation of an agreed decision is being resisted. Therefore, I would not rule out that if the return process proves to be painful, some other measures may be carried out. I would like to stress that this does not mean at all that the interests of the Abkhaz population will be ignored. This means that we will move at a faster pace as far as Abkhazia's political status is concerned.

I would also like to single out several important aspects of this visit. They include a meeting with the Russian president. It was a short but very busy and interesting meeting which briefly reviewed the current situation in Abkhazia, stressed the need for speeding up the Georgian-Ossetian conflict settlement, and discussed some problems of bilateral relations and military cooperation. In the end, the president and I agreed that every issue of practical importance for present relations between Russia and Georgia and relations within the CIS are to be examined in detail at prime ministers' level with the participation of Prime Minister Chernomyrdin, the Ministry of Foreign Affairs, the Ministry of Defense, and other agencies.

As you know, it has already been reported in Georgia that an almost two-hour meeting was held between the Georgian leadership and the Russian leadership, including Prime Minister Chernomyrdin. We examined in detail our economic problems, problems of economic relations, and cooperation. I should say that a revolution should take place in this sphere. We are still being governed by old ideas that everything should be solved at an interstate, intergovernmental level. Since we signed intergovernmental agreements giving momentum to the development of economic relations, everything has depended on our ability to establish ties with ministries, with our neighbors, for example, Krasnodarskiy kray, Stavropolskiy kray, Dagestan, and many others. Russia is no longer blocking these contacts but, on the contrary, gives these regions an incentive to start active cooperation with us.

[Oniani] Chernomyrdin is shortly expected in Tbilisi and a lot will probably be clarified during his visit.

[Shevardnadze] Of course, it was impossible to solve all problems during one meeting. So no agreements were signed. We agreed that the prime minister together with a rather large group including the leadership of the Ministry of Foreign Affairs, the Ministry of Defense, and others will arrive at the beginning of November to discuss the entire complex of our relations. This will include the Abkhaz problem, ways of settling the Abkhaz conflict, and speeding up as much as possible the process of Georgian-Ossetian conflict settlement—and I think this is quite possible. You know that I have expressed many ideas and proposals concerning this conflict, and I believe that we are gradually approaching the basis on which this conflict will be settled, as will the Abkhaz conflict. I believe that important issues will be discussed at the Tbilisi meeting and decisions of a stage-by-stage nature may also be reached.

By the way, I should tell you that economic aspects have recently come to the fore in conflict settlement. For example, restoring the railroad, which is in the interests of not only Georgia but also Armenia, Azerbaijan, Ukraine, Russia, and others, especially in light of the problems which have emerged as a result of the current situation in Chechnya. All these are factors assisting the speeding up of conflict settlement here and in other regions. This was the main content of these meetings.

I would also like to stress two other things. Some people believe that since we have now become so close to the CIS and joined the CIS integration process, it must mean that we are distancing ourselves from Europe, weakening our ties with Western countries, and so on. This is all naive reasoning. I believe that the closer, more credible and useful are the integration processes within the CIS, the shorter will the road be to closer ties with the European Union. There is no contradiction in this. Neither is there any contradiction in the fact that the strengthening of the CIS and the development of integration processes in the CIS should lead us to general harmony in our foreign relations.

[Oniani] Russian journalist Kholodov was killed last week. [passage omitted] Speaking of the attack on the Russian journalist, there have been similar incidents in Georgia in the past. [passage omitted]

[Shevardnadze] I believe that the wave of terrorism has subsided in Georgia but the threat of terrorism has not finally been eradicated. You know that we have a special committee, a special coordinating council which I lead, and Mr. Jaba Ioseliani is my deputy. As you can see, the committee includes the nucleus of the leadership. We are to discuss the state of struggle against terrorism at our next meeting. There are many things to be done. [passage omitted]

As regards the killing of the journalist, unfortunately it was not an isolated incident. And, unfortunately, Georgia has not been able to avoid such incidents. You know that on 8 November last year—I can still remember the date—I sent a special appeal to international journalist organizations and governmental organizations. I am disappointed that this appeal failed to get an appropriate reaction at the time, except from some countries.

My appeal came after an atrocious killing—the execution of a wonderful citizen and brilliant journalist, Dato Bolkvadze, whom we knew very well. You know that he was shot by the ex-president's supporters, some of whom have already been isolated from the public and will be answerable with the full severity of the law. I also said in my appeal that persecution of journalists had been made into a form of genocide by the Abkhaz separatists. You remember Sasha Ioseliani, who was executed on the Gumista river. He was another wonderful person and journalist who became a victim of terror. Let me also remember Ms Eter Tchkhavadze, an Abkhazian poet and journalists, whose execution in Sukhumi's Kazbegi Street shook our society.

There have been many other incidents involving journalists being tortured and imprisoned for months or years. We have managed to secure the release of some of them. I have a clear conscience because I have issued such a warning. I did what I could do from a small country, warning politicians and journalist organizations that journalists were under great threat.

I believe that as in other instances, such as the struggle against aggressive separatism and some other unhealthy phenomena, the modern world is not up to the mark as far as protection of journalists is concerned. I am too far from thinking that official bodies had a hand in what happened in Russia—I even think it would be unimaginable. However, the fact that such incidents can happen in a country shows that enemies of democracy and even of the state are operating there.

I believe that those who spilt the blood of journalists in Georgia are enemies of Georgia, regardless of their name or political creed.

A country which is unable to protect the journalist and create conditions for the journalist's freedom of action does not look like a state.

I would also like to say that President Yeltsin has said that some journalists should look after their own ethical standards and moral principles and that they should serve moral principles, however, this is the other side, this is a different question. [passage omitted]

Abkhazia Said 'Integral Part' of Russia

LD2510105394 Tbilisi CONTACT INFORMATION AGENCY in Russian 1254 GMT 24 Oct 94

[FBIS Translated Text] [No dateline as received]—In an interview with the Russian newspaper PRAVDA, Major General Vasiliy Yakushev, the commander of the peacekeeping forces in the Georgian-Abkhaz conflict zone, has defended the interests of the Abkhaz separatists. He also expressed the opinion that Abkhazia has always been an integral part of Russia and will remain part of it in the future.

In this connection, Georgian Deputy Prime Minister Tamaz Nadareishvili has issued a statement saying that General Yakushev's position may cause changes in Georgian-Russian relations and disrupt the peace process in the conflict zone.

Estonia

Lipstok Signs Accord With Czech Counterpart

LD2410202094 Tallinn Radio Tallinn Network in Estonian 1600 GMT 24 Oct 94

[FBIS Translated Text] An 11-member delegation from the Czech Republic led by Ivan Kocarnik, Czech finance minister and deputy prime minister, has arrived in Tallinn. The delegation met Prime Minister Mart Laar at Toompea.

Czech Finance Minister Ivan Kocarnik and Estonian Finance Minister Andres Lipstok signed agreements on preventing double taxation and on mutual protection of investments between Estonia and the Czech Republic. The aim of the agreements is to remove double taxation, to hinder tax evasion, to demarcate the taxation between the states, and to avoid discriminative taxation.

Ivan Kocarnik also met Siim Kallas, president of the Bank of Estonia, for discussion of several monetary and financial issues. Kallas and Kocarnik noted there are number of problems common to Estonian and Czech banking, but also some clear differences. The guests found it interesting that the Estonian kroon, unlike the Czech crown, is convertible. The Czech delegation also met Foreign Minister Juri Luik.

Parties Compete for Russophone Voters

MM2410140394 Moscow IZVESTIYA in Russian 22 Oct 94 p 3

[Report by Leonid Levitskiy: "First Three Guys in One Village. Toughest Problem for Russians in Estonia Is To Unite"]

[FBIS Translated Text] Tallinn—A United People's Party has been set up in Estonia. So far it has just over seven members—the founders who adopted the program and its rules. Viktor Andreyev, deputy mayor of Tallinn, has been elected chairman.

"The key issue for us is to protect the rights of the nonnative population. But this can only be resolved in the context of a civic society in which ethnicity is neither a profession nor a privilege. That is why we are opposed to parties or states being based on the monoethnic principle, where one ethnic group has an advantage over another," Khanon Barabaner, one of the initiators, said.

The creation of a Russian Party was announced a few days earlier. Its initiator and leader is Sergey Kuznetsov, a veteran of the communist press, who is now known as a vigorous anticommunist. He has very few supporters. Yet another party—the Russian People's Party headed by Aleksey Zybin—will probably emerge in the very near future. It is the oldest unregistered Russian community in Estonia. Both parties consider it their task to protect the nonnative Russian population. But relations between the leaders are strained, to put it mildly.

Aren't three Russian parties a bit much? Compared to the number of Estonian parties—and there are more than 20 of them, registered and unregistered—there is nothing to worry about. But only Estonian citizens can be party members. And only 70,000-80,000 of Estonia's 600,000 nonnative residents have citizenship. So, even counting children, there are very limited party reserves for Russians.

It is no secret that parties are being created quickly for two reasons. The first is that, in order to gain registration, it is currently sufficient to have 200 members, but as of next summer 1,000 will be needed. The second is that there will be parliamentary elections in March. Candidates can only be nominated for the State Assembly by parties, which will have to surmount the 5-percent barrier. Noncitizens are not allowed to take part in the parliamentary elections. This means that the Russian Party will need almost every nonnative citizen—whose votes are currently shared between three rivals—to vote for it. Citizens will not vote for a Russian party, even if it calls itself united and the authorities have nothing against it.

These statistics do not make pleasant reading. They confirm the sorry truth that people in the non-Estonian community are more eager and willing to engage in clashes than to organize ties. The worse things get for Russians in Estonia, the more discord there is between them.

Latvia

CE Envoy Deplores Saeima Rejection of Bill

WS2410121994 Tallinn BNS in English 1326 GMT 22 Oct 94

[FBIS Transcribed Text] Riga, Oct 22, BNS—On Thursday Latvian Saeima's (parliament) opposition did not take part in voting on accepting the Legal Committee's drafted bill on former U.S.S.R. citizens', who are not citizens of any other state, status in the Republic of Latvia in its first reading.

Head of the Latvian delegation to the Council of Europe (CE), Andrejs Pantelejevs, said Friday that it would be very difficult for the Latvian delegation, which takes part in the meeting of the CE Legislation Committee in Rome on Oct. 24, to explain why the bill was not accepted.

As reported, following the CE Legislation Committee's decision, Latvia's admittance to the Council of Europe could be considered in the CE Parliamentary Assembly's winter session. By now, EU Political Committee and the Committee for Relations with Unfriendly Countries have recommended Latvia's admission to the Council of Europe.

Pantelejevs noted that the CE reporter Friedrich Vogel's announcement on correspondence of the Latvian legislation to the CE standards was positive.

CE experts had evaluated the Saeima Legal Committee's drafted bill as correspondent to the CE standards.

Pantelejevs stressed that it would be difficult for the Latvian delegation to explain the action of the opposition, which by not taking part in the voting, stopped the accepting of the Saeima Legal Committee's bill. Besides, the Latvian National Conservative Party LNNK and the Homeland and Freedom factions' alternative bill on the status of foreigners and stateless persons was also rejected.

Pantelejevs prognosticated that the Saeima would accept the Legal Committee's drafted bill in the plenary meeting next week. LNNK faction Head Aleksandrs Kirsteins also did not exclude such a possibility, because the opposition plans to take part in voting on the bill.

Kirsteins considers that the failure to accept the bill on the former U.S.S.R. citizens' status will not change the CE Parliamentary Assembly's attitude toward Latvia, and thus the decision of the CE Legislation Committee could be positive for the Baltic state.

Kirsteins said the opposition did not take part in the voting, because the bill was not discussed in the Saeima factions and committees, therefore the factions were not ready for discussing the bill and voting on it.

Council Said To Support Membership

WS2510132294 Tallinn BNS in English 1210 GMT 25 Oct 94

[FBIS Transcribed Text] Rome, Oct 25, BNS—The Council of Europe [CE] Legislative Committee decided Monday in Rome to support Latvia's acceptance as full-fledged member, Latvian delegation head Andrejs Pantelejevs told BNS.

The committee recommended Latvia's enrollment after having listened to a report on Latvia by German representative Friedrich Vogel. The group also considered a possibility to convene the CE Ministerial Committee in February following to the conclusion of the CE Parliamentary Assembly.

Pantelejevs described the promise of a Cyprian parliamentarian to back the convention of the Ministerial Committee session as an important step toward Latvia's acceptance.

The Ministerial Committee is the highest executive body of the CE and its decision would formally conclude the process of Latvia's acceptance. Cyprus will preside over the committee during the January session.

As reported, Latvia's acceptance is already endorsed by the Political Committee and the Committee for Relations With Non-Member Countries.

Defense Ministry Issues Call to Reservists

LD2410194394 Riga Radio Riga Network in Latvian 1900 GMT 24 Oct 94

[FBIS Translated Text] The Defense Ministry has sent instructions to heads of state service departments of Latvian districts to invite reserve officers to join active service as commanders of companies and platoons in the Riga Defense Headquarters Battalion. Only half of the number of officers required are currently serving in the Latvian defense forces. Therefore, it was necessary to issue the instructions.

Lithuania

Prime Minister Favors Cargo Pact With Russia

LD2410174394 Moscow INTERFAX in English 1538 GMT 24 Oct 94

[From the "Presidential Bulletin" feature; compiled by Nikolai Zherebtsov and Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] Prime Minister Adolfas Slezevicius believes that an agreement with Russia on transporting military cargoes to the Kaliningrad Region via Lithuania may be drafted and signed in a month.

Commenting in an interview over the national TV on the official opposition demand that the drafting of a treaty with Russia on military transport should be stopped, he said that it contains much demagogy and political speculation. We cannot but agree to political realities, the geopolitical position of Lithuania and the Russian Kaliningrad Region which demand specific decisions, said the prime minister.

He said that Russia's transit via Lithuania may be carried out in line with Lithuania's rules and conditions.

Last week seven right-wing and centrist opposition political parties of Lithuania demanded that President Algirdas Brazauskas stop preparation of a treaty with Russia on military transit.

The statement made public in Lithuania says that the Lithuanian rules for transportation of the military cargoes do not protect the rights of Lithuania and do not consider its vital security interests.

The document says that an agreement on military transit runs counter to Lithuania's independence from Russia, threatens to the country's security, lowers Lithuania's international status and actually means Lithuania's military cooperation with Russia.

IF Note: Russia links the solution of the problem concerning the military transit to the coming into force of the intergovernment agreement on the most favored nation treatement in trade. The Lithuanian draft agreement on military transit was recently sent to Moscow through diplomatic channels.

NATO Commander Praises Cooperation Initiatives

WS2410121794 Vilnius ELTA in English 1859 GMT 21 Oct 94

[From "News Bulletin" No. 614]

[FBIS Transcribed Text] Vilnius, October 21, ELTA—On Friday President Algirdas Brazauskas received commander of NATO joint forces in North Europe, Marshal Sir Richard Johns visiting officially Baltic States.

During the meeting, issues of integration of Lithuania into West European security structures have been discussed. Brazauskas expressed gratitude to NATO administration for technical and methodological assistance in strengthening Lithuanian defence system.

Lithuania is taking part, as actively as possible, in the Partnership for Peace programme, said Brazauskas. Not only due to Lithuanian geopolitical position but also because of wishing to make its contribution to stability in Europe.

Johns gave high praise to first steps of Lithuania in cooperation with NATO structures and participation in peacekeeping initiatives. He said he expected that Lithuanians were to prepare individually for carrying out the programme of Partnership for Peace to be realized in the next year.

Talking about problems of Kaliningrad District, he said that they were under the observation from the West, and informed about his visit to Kaliningrad in the nearest future.

Sir Richard Johns met with the members of Seimas National Security Committee.

Lithuanian Defence Minister Linas Linkevicius took part at the meetings.

Polish Speaker Begins Official Visit

WS2410153994 Tallinn BNS in English 1317 GMT 24 Oct 94

[FBIS Transcribed Text] Vilnius, Oct 24, BNS—The speaker of the Polish Sejm (parliament), Jozef Oleksy, arrived in Vilnius Sunday for a three-day official visit.

On Monday Oleksy was scheduled to meet with his Lithuanian counterpart Ceslovas Jursenas, Foreign Minister Povilas Gylys, Prime Minister Adolfas Slezevicius, President Algirdas Brazauskas, Lithuanian lawmakers and members of the Polish faction in the Lithuanian parliament.

Oleksy will make a speech in parliament Tuesday.

Discusses Free Trade Treaty

LD2410160994 Vilnius Radio Vilnius Network in Lithuanian 1400 GMT 24 Oct 94

[FBIS Translated Text] Currently on a visit to Lithuania, the head of the Polish Sejm is holding meetings with high-ranking Lithuanian officials. This afternoon he will be received by Prime Minister Adolfas Slezevicius and President Algirdas Brazauskas.

This morning Polish Sejm Speaker Jozef Oleksy met Ceslovas Jursenas, chairman of the Lithuanian Seimas.

After the meeting, the head of the Lithuanian parliament told the journalists that the Lithuanian-Polish state treaty ratification documents will be exchanged soon—at the end of October or beginning of November. According to Jursenas this could be carried out during the visit to Warsaw by Minister of Foreign Affairs Povilas Gylys.

Matters concerning the implementation of the above treaty were discussed by the heads of the parliaments at the meeting. According to Jursenas, the implementation of the treaty is the basis for the development of relations between both countries.

At today's meeting, it was agreed that the parliaments of both countries will review all the articles of the treaty again while making proposals on how to start the implementation of the treaty. According to Oleksy, bilateral commissions for the preparation of the agreement on free trade and across the border cooperation should be set up.

Tomorrow, the Polish Speaker will address the Seima.

Discusses Treaty With President

LD2410185194 Vilnius Radio Vilnius Network in Lithuanian 1700 GMT 24 Oct 94

[FBIS Translated Text] Polish Sejm Speaker Jozef Oleksy, Leszek Moczulski, chairman of the Sejm Commission for Liaison With Poles Abroad, and Jakub Borawski, director of the International Relations Bureau, were received today by Algirdas Brazauskas, president of the Republic of Lithuania.

Justas Paleckis, the president's adviser on foreign policy matters, Arvydas Valionis, Lithuanian ambassador to Poland, and Jan Widacki, Polish ambassador to Lithuania, took part in the meeting, ELTA reported.

After talks lasting for about an hour, Algirdas Brazauskas and Jozef Oleksy told the journalists that they were pleased with the results of the meeting. Algirdas Brazauskas stressed that the treaty was a good base for interstate cooperation; this was the first area named by the Lithuanian president as a necessity for a free trade agreement. Algirdas Brazauskas also said that possibilities for more active cooperation in culture issues were also discussed.

Jozef Oleksy said that he confirmed the invitation by President Lech Walesa to Algirdas Brazauskas to pay an official visit to Poland next year. He stressed that the dialogue started by the Lithuanian and Polish presidents last spring was fruitful. Jozef Oleksy said that in the main Lithuanian and Polish leaders agreed on foreign policy issues. Justas Paleckis, adviser to the Lithuanian president on foreign affairs, told ELTA that the idea proposed by Algirdas Brazauskas to hold a summit of the Baltic states and the Visegrad states was also discussed at the meeting. According to Justas Paleckis, this idea had received favorable comments in Polish administration circles. Poland believes that other countries, associated members of the European Council, could also take part in the summit.

The issue of relations with NATO was also discussed at the talks. It was stressed that both Lithuania and Poland will aspire for membership in this organization.

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